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## Kohl Urges Allies To Develop Joint Star Wars' Policy

By William Drozdiak  
Washington Post Service

BONN — Chancellor Helmut Kohl of West Germany urged the European allies of the United States on Wednesday to develop a joint approach to President Ronald Reagan's Strategic Defense Initiative so that they might influence future decisions on its possible deployment.

In an effort to reconcile differences across Western Europe, as well as in his own government, Kohl said it was essential to leave open the possibility of a space-based missile defense system to be developed in cooperation with the United States.

Kohl stressed that if the Geneva negotiations succeeded in making drastic bilateral cuts in offensive nuclear arms, the "deployment of space-based systems could become increasingly superfluous."

Speaking to the annual congress of the Christian Democratic Party in Essen, Mr. Kohl said, "We will continue to advocate that the Europeans develop a joint position and let them bear this to bear with our own allies."

The U.S. determination to proceed with a \$26-billion research program into space-based defense over the next five years has evoked mixed emotions in Europe.

While acknowledging that the "star wars" project was probably a key factor in bringing Moscow back to the arms talks, the European allies fear that the program might develop such momentum that anti-missile technology could be deployed that would undercut Western deterrence strategy.

Allied leaders have largely supported U.S. research to counter the Soviet Union's space-defense experiments but they also have warned that an uncontrolled spiral in offensive and defensive weapons systems could jeopardize the North Atlantic Treaty Organization's cohesion as well as their own national interests.

Foreign Minister Hans-Dietrich Genscher, echoing reservations voiced by his British counterpart, Sir Geoffrey Howe last week, warned Monday that the U.S. and its European allies "must not be decoupled through technological innovation."

"Absolutely nothing must be allowed to endanger the highly moral goal" of deterrence, Mr. Genscher said. "Every new development must therefore be examined to see if it does not endanger the goal."

## Reagan Chooses Brock As Secretary of Labor

The Associated Press

WASHINGTON — President Ronald Reagan said Wednesday he would nominate William E. Brock, his special trade representative, to replace Raymond J. Donovan as secretary of labor.

President Reagan called Mr. Brock "our top choice from a blue-ribbon list of candidates" for the post. The nomination requires Senate confirmation.

Mr. Donovan, who had been on leave since his indictment on grand jury and fraud charges, resigned Friday after a New York Supreme Court judge refused to overturn the indictment and ordered him to stand trial.

Mr. Brock, asked Wednesday on reports that he had been re-elected to the post, responded: "You just can't believe anything you read, can you?" He called the post "a challenge that is possible to resist."

President Reagan, referring to the poor relations that his administration has had with organized labor, said of Mr. Brock: "Anyone who's spent four years in international trade negotiations can negotiate almost anything."

Even before Mr. Reagan announced the decision, Mr. Brock called Lane A. Kirkland, the AFL-CIO president, to inform him.

While acknowledging that there had been "some very difficult times" between the administration and organized labor, Mr. Brock described Mr. Kirkland as "an old friend" and predicted that they would be able to work together.

Mr. Kirkland said: "The AFL-CIO welcomes the nomination of Bill Brock to be secretary of labor. We have worked with him in many areas over the years. While we have not always agreed, he has earned our respect. We look forward to a new and constructive relationship with the Labor Department."

Asked about mending relations with American labor unions, few of which supported Mr. Reagan's re-election bid, Mr. Brock said: "We had some very difficult times. We have a lot of communicating to do."

Mr. Brock said his top priority would be creating as many new jobs as possible.

"I don't even know what the budget of the department is. I have a lot to learn," he added.

The nomination of the former Tennessee senator is expected to win quick Senate confirmation.

Mr. Brock, 54, heir to the Brock candy manufacturing fortune, first came to Washington politics in 1962, when he was elected to Congress from Chattanooga, Tennessee. He was the first Republican to represent that city in the House in 42 years.

Mr. Brock served four terms in the House and was elected to the U.S. Senate in 1970. He was only the second Republican elected to the Senate from Tennessee by popular vote.

He was defeated for re-election six years later by James Sasser, a Democratic lawyer from Nashville.

Mr. Brock then became chairman of the Republican National Committee, a position he held until Mr. Reagan chose him for the trade job.

## Dollar Falls in Europe As Price of Gold Rises

The Associated Press

LONDON — The U.S. dollar finished lower Wednesday against most major currencies after a volatile bout of trading in London, while gold prices swung widely but finished higher in Europe.

In Zurich, bullion rose to \$349.50 a troy ounce at mid-session, then reversed course to close at \$330.50 compared with a closing price of \$317.50 on Tuesday. Details, Page 11.

## The Longest Tunnel in the World Japanese Engineering Feat Is Called a 'White Elephant'

By Clyde Haberman  
New York Times Service

TOSHIOKA, Japan — Much of Satoshi Maruyama's life is spent beneath the floor of the rolling train.

By vocation, Mr. Maruyama is a civil engineer, but by avocation, he is a tunnel man. He describes his occupation accurately these days. He talks with considerable authority about the 33.5-mile (54 kilometer) Seikan Tunnel connecting the main Japanese island of Honshu to snow-draped northern island of Hokkaido.

It is, by far, the world's longest, and it was Mr. Maruyama's good luck to have supervised the digging of the center a week ago when laborers punched through a layer of soft black dirt to join tunnel sections that had been dug from both ends. The workers sent up a chorus of "Banzai!"

"I was so excited, I couldn't sleep well the night before," Mr. Maruyama said. "I really felt that we had accomplished something."

His feelings were shared by thousands of colleagues along the length of the tunnel. But after the shouting of they had to return to a doubt-ridden reality: that they had spent the last 21 years digging as the Tsurumi Strait, what will become of their

that will use it, Japan National Railways. "White elephant" has become a favorite newspaper term.

When work began in 1964, Japan's economy was leaping ahead and anything seemed possible. Now, for the national railroad, almost everything seems implausible.

Early plans called for high-speed "bullet trains" to run on tunnel tracks, creating a direct route from Tokyo to Sapporo, the capital of Hokkaido. For sparsely populated, somewhat neglected Hokkaido, the psychological benefits were almost as important as the economic.

"We've been forced into isolation in terms of education, culture and economy," said Hiroshi Kawata, president of the Chamber of Commerce and Industry in Hakodate, the largest Hokkaido city near the tunnel. "The Tsurumi Strait has been a great wall separating us from the rest of the country. This tunnel breaks through the wall."

By rail, the trip from Tokyo to Sapporo takes more than 16 hours, including a four-and-a-half-hour ferry trip across the strait to Hakodate from Aomori, on Honshu. That is, if the ferry is running. Rough weather forces shutdowns an average of 80 days a year, the operators not being eager for a repetition of a 1934 accident in which more than 1,100 people drowned.

The bullet train was seen as an obvious solution, cutting travel time by 70 percent, but the idea had to be set aside during the oil crises of the 1970's. In the meantime, the national railroads became a textbook case of poor management.

The tunnel aside, the railroad loses money at the rate of \$1 million every hour, and the completed

(Continued on Page 4, Col. 7)



President Reagan draws a smile to show his happiness with the Senate's MX missile vote.

## Senate's Vote on MX: More a Display Of Diplomacy Than of Reagan's Clout

By Hedrick Smith  
New York Times Service

WASHINGTON — The latest round of the seemingly endless American political confrontations over the MX missile kindled little public controversy in the United States but it provided a victory that the Reagan administration badly wanted to impress a wider audience in the Soviet Union and Western Europe.

Indeed, Tuesday's solid 55-to-45 vote in favor of the intercontinental nuclear missile probably has more significance for the public display of diplomacy surrounding the arms talks in Geneva than as a demonstration of President Ronald Reagan's legislative influence on other issues or of Senate confidence in the missile itself.

In his final appeal for support, the Senate majority leader, Robert J. Dole, Republican of Kansas, conceded that the MX, which stands for missile experimental, "may not be a perfect weapon system," but he said voting for it "will make the job easier" for American arms negotiators.

### NEWS ANALYSIS

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### Panel Recommends House Reject MX Funds

The Associated Press

WASHINGTON — The House Appropriations Committee voted Wednesday to recommend a halt to more spending on the MX missile. The 28-to-26 vote sets the stage for a lengthy battle next week on the House floor.

The House is to vote first on authorizing and then appropriating \$1.5 billion in this fiscal year to build 21 of the 10-warhead intercontinental missiles. The Senate, which authorized the funds on Tuesday, was expected to vote its approval a second time on Wednesday.

A defeat Tuesday, after earlier congressional votes in favor of farm credit legislation that President Reagan had opposed, would probably have raised some talk about his "lame duck" difficulty in controlling Senate Republicans.

But the White House, operating like a winning college basketball coach who builds up the reputation of less powerful opponents, played up Tuesday's vote in advance as a tight "make-or-break" battle, in an apparent effort to heighten the drama.

(Continued on Page 2, Col. 3)

## Belgian Lower House Backs Missile Deployment

United Press International

BRUSSELS — The Belgian government won a confidence motion in the lower house of parliament on Wednesday, surmounting opposition criticism of its decision to permit the installation of U.S. cruise missiles in Belgium.

The 212-member Chamber of Representatives voted shortly before dawn at the end of a 15-hour debate, endorsing the coalition cabinet with a 116 to 93 vote. One member abstained and two were absent.

Belgium is scheduled to deploy 48 cruise missiles under a 1979 agreement with the 16 North Atlantic Treaty Organization member states. The first 16 missiles arrived at the Florennes air force base on Friday, just one day after the government agreed to accept them.

Mr. Martens argued that the NATO decision to deploy a total of 572 Pershing-2 and cruise missiles in Western Europe could be reversed if an agreement was reached during U.S.-Soviet talks on intermediate-range nuclear weapons in Geneva. "Our decision to deploy has no aggressive nature," he said.

Foreign Minister Leo Tindemans said earlier that smaller NATO countries would have undercut their influence in the alliance if they had refused to take part in the deployment.

He said that the Soviet Union now had more than 400 SS-20 missiles aimed at Western Europe, each with three warheads, while the Pershing-2 and cruise missiles so far deployed by NATO carry a total of only 109 warheads.

Western strategists generally do not count French and British missiles aimed at the Soviet Union when calculating the balance of nuclear forces, although Moscow insists they be included.

The sharpest attacks in the debate Wednesday came from the opposition Socialist Party. Louis Tobback, the floor leader of the Socialists' Flemish faction, charged that the government had "acted as a vassal of the United States."

He said the cabinet had even given away jurisdiction over a section of the Florennes base, 40 miles (64 kilometers) south of Brussels. The area where the missiles are stored is being manned by U.S. Army personnel.

The agency and Congress have been critical of Union Carbide's record-keeping on the release of less dangerous gas in its Institute plant, especially after people in a shopping center were overcome by fumes from another plant.

Mr. Anderson said India's Central Bureau of Investigation and the state of Madhya Pradesh in which Bhopal is located will issue their own reports.

(Reuters, AP)



Workers at the center of Seikan Tunnel, which will connect the Japanese islands of Honshu and Hokkaido by rail. The tunnel under the Tsurumi Strait is the world's longest.

(Continued on Page 2, Col. 3)

## Peres Eases Opposition To U.S.-Arab Peace Talks

Jerusalem

JERUSALEM — Prime Minister Shimon Peres of Israel has dropped his opposition to preliminary Middle East peace talks between the United States and an Arab delegation that would exclude Israel, his spokesman said Wednesday.

The spokesman, Baruch Askerov, said that Mr. Peres would approve of such a meeting on the condition that direct Arab-Israeli talks followed.

Israel and the United States initially rejected a proposal last month by President Hosni Mubarak of Egypt that the Reagan administration negotiate with a Jordanian-Palestinian delegation.

"The idea of a preliminary meeting is not our first choice," Mr. Askerov said. "We prefer direct negotiations, but we can accept the principle of it if it is linked to a meeting with Israel."

The statement was the strongest signal yet that Israel would support Mr. Mubarak's peace effort.

The U.S. State Department said Monday it was considering the possibility of talking with a Jordanian-Palestinian team without the Palestine Liberation Organization if that led to direct talks with Israel.

An official source said that Israel might accept Palestinians in the Jordanian delegation if they were not known members of the PLO.

"We make a point of saying no PLO, but we have never said no Palestinians," one source said. "We don't want to close off any opportunities but we also don't want to talk out loud about sensitive subjects."

Israel and the United States reject contact with the PLO until it renounces violence and recognizes Israel's right to exist.

Mr. Peres's aides said that such objections still held but that he did not want to reject the idea of a preliminary session if it could bring progress.

The newspaper Ha'aretz said that Mr. Peres had told Washington he consented to such a meeting, and was awaiting Jordan's response. Jordan insists that the PLO, which it has recognized as the sole legitimate representative of the Palestinians, must be included in any negotiations.

■ Peres Welcomes Arab Talks

Mr. Peres welcomed talks this week in Baghdad among the leaders of what he called the "more moderate" Arab bloc of Egypt, Jordan and Iraq, United Press International reported from Jerusalem.

"I hope that not only will such a bloc be established, but that it will also basically confirm Egypt's policy in the direction of peace," Mr. Peres said on television Tuesday. As compared with what he called

the belligerence of Syria, Iran and Libya, he said, "This is a more moderate bloc."

Mr. Mubarak and King Hussein of Jordan visited the Iraqi leader, Saddam Hussein, on Monday, during one of the fiercest battles of the four-and-a-half-year war between Iraq and Iran.

Foreign Minister Yitzhak Shamir of Israel, leader of the rightist Likud bloc, said the three leaders' meeting was interesting but had no direct bearing on the prospects for peace in the Middle East. "Only

talks with Israel can have meaning for the peace process," he said.

■ Qadhafi Cautious Arabs

Colonel Moammar Qadhafi of Libya was quoted Wednesday as threatening a "terrorist" campaign against pro-American Arab states, and wishing he could behead their leaders one by one, The Associated Press reported from Beirut.

The Libyan leader was quoted as saying that if Arab rulers friendly to the United States did not reject U.S. control, he would "deter such weakness."

## U.S. Analysts Say Iran Suffered Major Defeat

By Bernard Gwertzman  
New York Times Service

WASHINGTON — Iran appears to have suffered a crushing defeat in a weeklong offensive aimed at ending its military stalemate with Iraq, senior Reagan administration officials say.

In their assessment of the fighting in southeastern Iraq, along the border with Iran, the officials said Tuesday that Iran sent 30,000 to 50,000 soldiers and poorly trained "volunteers" across the border and that most of them were killed, wounded or captured in an Iraqi counterattack.

"I don't think the Iranians know how many people they have lost," a senior official said, "but it is in the tens of thousands, we think."

Administration officials said they based their assessment on several factors: intelligence gathered by Western countries, presumably through various electronic means; reports from Western observers, including journalists, who visited the battle area in recent days; close analysis of statements made by Iraq and Iran, and information gleaned by U.S. and other Western diplomats in Baghdad and by Western diplomats in Tehran, where there is no U.S. mission.

As recently as Monday, U.S. officials were saying that the fighting was indecisive, but on Tuesday, senior officials were firm in asserting that they had no doubt that the Iraqis had decisively defeated the Iranians in the latest conflict.

In what administration officials regard as a desperation move, the Iraqis also launched a few Soviet-made surface-to-surface missiles against Baghdad, the Iraqi capital, and at least two were believed to have exploded in the city. The missiles, known as Scuds, date from the 1950s. They are cumbersome battlefield weapons fired from a tractor-like vehicle and are very inaccurate at the 150-mile distance from Iran's frontier to Baghdad.

The missile has been supplied to Warsaw Pact nations and to Egypt, Syria, Libya and Iraq. It can carry both nuclear and conventional warheads, but the Soviet Union is not known to have ever allowed its nuclear weapons out of its control.

U.S. intelligence officials assume that Libya sold the missiles to Iran, one official said.

"The question we're all looking at" one senior official said, "is whether the size of the defeat will finally convince Khomeini to end the war." He added that there had been no sign from Tehran that the Iranian leader, Ayatollah Ruhollah Khomeini, was ready to seek a negotiated peace.

U.S. analysts say the Iraqis, who had been building up for the offensive for months, attacked through the Huwailah marshes. The thrust of the assault came from the east of Al Amarah and Al Qurnah, towns on the Tigris River north of Basra. The Basra to Baghdad highway, a militarily significant north-south road, also goes through those towns.

U.S. officials say the Iranian Army intended to cut the road and isolate Basra to the south. That would have been a major victory for the Iraqis, who apparently hoped it would break the Iraqi resolve and lead to the resignation of President Saddam Hussein. Iran has made his removal a condition of ending the war.

In the initial phase of the latest attack, March 11 to 14, the Iraqis were believed to have fought their way to the eastern banks of the Tigris, and in some places actually crossed it and set up positions at the road.

U.S. analysts said the Iraqis, who had been expecting the attack, had built up a well-entrenched defense with artillery and tanks and used Soviet-made helicopter gunships and fighter planes effectively.

Another official said the battle "was a classic example" of a well-trained and well-supplied army prevailing over thousands of infantry troops lacking artillery and air support. He said the Iraqi defense was patterned on Soviet tactics.

(Continued on Page 2, Col. 5)

(Reuters, AP)

The agency and Congress have been critical of Union Carbide's record-keeping on the release of less dangerous gas in its Institute plant, especially after people in a shopping center were overcome by fumes from another plant.

Mr. Anderson said India's Central Bureau of Investigation and the state of Madhya Pradesh in which Bhopal is located will issue their own reports.

(Reuters, AP)

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# Conflict Is All-Pervasive in Nicaraguan Daily Life

## Officials Say Struggle Against Rebels Undermines Economy, Civil Liberties

By Larry Rohrer  
New York Times Service

MANAGUA — After four years of fighting, the increasingly fierce struggle between the Nicaraguan government and the rebels seeking its overthrow is the dominant factor in the country's political and economic life, according to Nicaraguans here.

The rebels have not been able to hold a single Nicaraguan election since 1979. But the country's economy is in a state of collapse, and the guerrillas for that matter are the war of attrition has led the government to take measures restricting civil liberties in the name of national security.

Restrictions include the reimposition of press censorship, which has been especially vigorously enforced since the major opposition daily, La Prensa, was closed last November, and the government has taken steps to prevent some of its leaders, such as Arnaldo Cruz and Pedro Joaquín Chamorro, from entering the country.

Recent orders preventing some of the country's leading businessmen, such as Arnaldo Cruz and Pedro Joaquín Chamorro, from entering the country, and the government has taken steps to prevent some of its leaders, such as Arnaldo Cruz and Pedro Joaquín Chamorro, from entering the country.

These figures do not take into account the thousands of people who have been killed in the conflict, and the thousands of people who have been killed in the conflict, and the thousands of people who have been killed in the conflict.

The policy of reducing the space in which the opposition can maneuver seems to have gained force in recent days with the launching of a crusade against Mr. Cruz, the former junta member and ambassador to the United States. Mr. Cruz, who has emerged as an outspoken critic of the Sandinist government, was the Coordinator's nominee for president in the elections last year.

After signing a declaration in San José, Costa Rica, this month calling on the Sandinists to agree to a "national dialogue" with all elements of the opposition, Mr. Cruz was prevented from returning to Nicaragua. Mr. Ortega said March 10 that the government now considers Mr. Cruz to have passed over to the counterrevolution.

To Lino Hernández of the Permanent Commission for Human Rights, the Sandinists also have



A Nicaraguan Army medic tending the wounds of a government soldier who was wounded in fighting with rebels.

been using the war as a "pretext" for violations of constitutional guarantees. But with or without the rebels and their U.S. support, he said, the Sandinists "will always have a motivation" for restricting civil liberties.

Those restrictions, according to Mr. Hernández, include press censorship and limitations on freedom of assembly taken in the name of national security. In addition, he said, more than 800 peasants have been tried on charges of aiding or collaborating with the rebels by "anti-Somocera popular tribunals" in which "there are no legal guarantees."

Most Nicaraguan opposition leaders and journalists, as well as most foreign diplomats in Managua, tend to agree that the rebel threat has stifled the resolve of the Sandinist leaders and made them less likely than ever to compromise with their domestic opponents.

The war's effects on the Nicaraguan economy may be even more far-reaching than those in the political sphere. Officially, rebel attacks are said to have inflicted about \$275 million in damage, a figure that does not take into account the shifting of economic resources and other indirect consequences of the war that are draining the economy.

In their frequent public pronouncements, Sandinist leaders have blamed the rebels for virtually all of the country's economic ills. The rest are attributed to the Reagan administration's "blockade" of Nicaragua's foreign trade and credits.

Although trade between the two countries has declined from the record high registered in 1981, the United States remains Nicaragua's leading trade partner, supplying about 30 percent of its imports and taking 18 percent of its exports.

# Alfonsín Asks Restraint in Latin America

By John M. Goshko  
Washington Post Service

WASHINGTON — President Raúl Alfonsín of Argentina told a joint meeting of Congress on Wednesday that a solution to the conflicts in Central America must be based on nonintervention by all outside powers and respect by the countries of the region for the rights of their own people and their neighbors.

In his address, Mr. Alfonsín made no mention of U.S. efforts to pressure Nicaragua through support of the rebels fighting the leftist Sandinist government. During welcoming ceremonies for Mr. Alfonsín at the White House on Tuesday, President Ronald Reagan had spoken of the necessity to curb "the Communist tyranny imposed on Nicaragua."

By contrast, Mr. Alfonsín's remarks Wednesday appeared to contain an implied rebuke of what many Latin Americans regard as excessive U.S. emphasis on military solutions in Central America. But his words also implied criticism of Cuba and the Soviet Union for trying to sow discord in the region and of the Sandinists for failing to permit democracy within Nicaragua.

Mr. Alfonsín, who became president in 1983 after seven years of military rule in Argentina, endorsed the Contadora negotiations on a comprehensive peace agreement for Central America.

"My government supports the efforts of Contadora which is the appropriate mechanism for finding stable solutions for the Central American countries," he said. He added that he should be based on five criteria:

- "The principle of self-determination as recognized by contemporary international law freely exercised through the will of the majority."
- "The existence of pluralistic democracies throughout the region."
- "The principles of territorial integrity and nonintervention should be respected and universally applied. This means they should not be invoked in a one-sided manner."
- "Specific warranties that the countries of the region will not meddle in the affairs of their neighbors."
- "Eliminating 'military mechanisms' or arms buildups in countries of the area that threaten the security of neighboring nations."

U.S. officials said privately that they regarded Mr. Alfonsín's speech as reflecting the attitudes of most democratic governments in Latin America, and they said it was not inconsistent with the Reagan administration's policy toward Central America.

While acknowledging that Mr. Alfonsín would not endorse Mr. Reagan's call for supporting the Nicaraguan rebels, the officials noted that his main points — support for the Contadora process, democratic pluralism and a halt to interference in the hemisphere by outside powers — have also been advocated frequently by Mr. Reagan and Secretary of State George P. Shultz.

Mr. Alfonsín also said that the problems of Central America and the wider Latin American region stem from "generations of misrule," political and economic underdevelopment and the chronic

# Bolivian Soldiers Disperse Strikers

LA PAZ — As tanks patrolled the streets, soldiers fired shots in the air and used tear gas to disperse miners and striking workers who were trying to topple Bolivia's president, Hernando Siles Zúñiga.

The military mobilization occurred a day after at least 10,000 miners blocked the streets of La Paz for seven hours, detonating sticks of dynamite, halting traffic and forcing businesses to close.

The strike, now in its 13th day, has shut down many factories and mines, intercity transportation, long-distance communication and public hospitals. The strikers are demanding raises and the resignation of Mr. Siles Zúñiga, who took over in October 1982 as the first popularly elected president in 18 years.

# A Racial First in Mississippi

JACKSON, Mississippi — Alyce Clarke, a Democrat, has become the first black woman elected to the Mississippi Legislature, winning a special ballot Tuesday in Jackson.

Americans use planes like Europeans use cars. Not only because their country is so big, but also because their climate is so competitive. They dare not miss out on any business opportunity. Of course getting them to the right place at right time presents problems. Planes are taxis. So how can an airline effectively connect the major cities?

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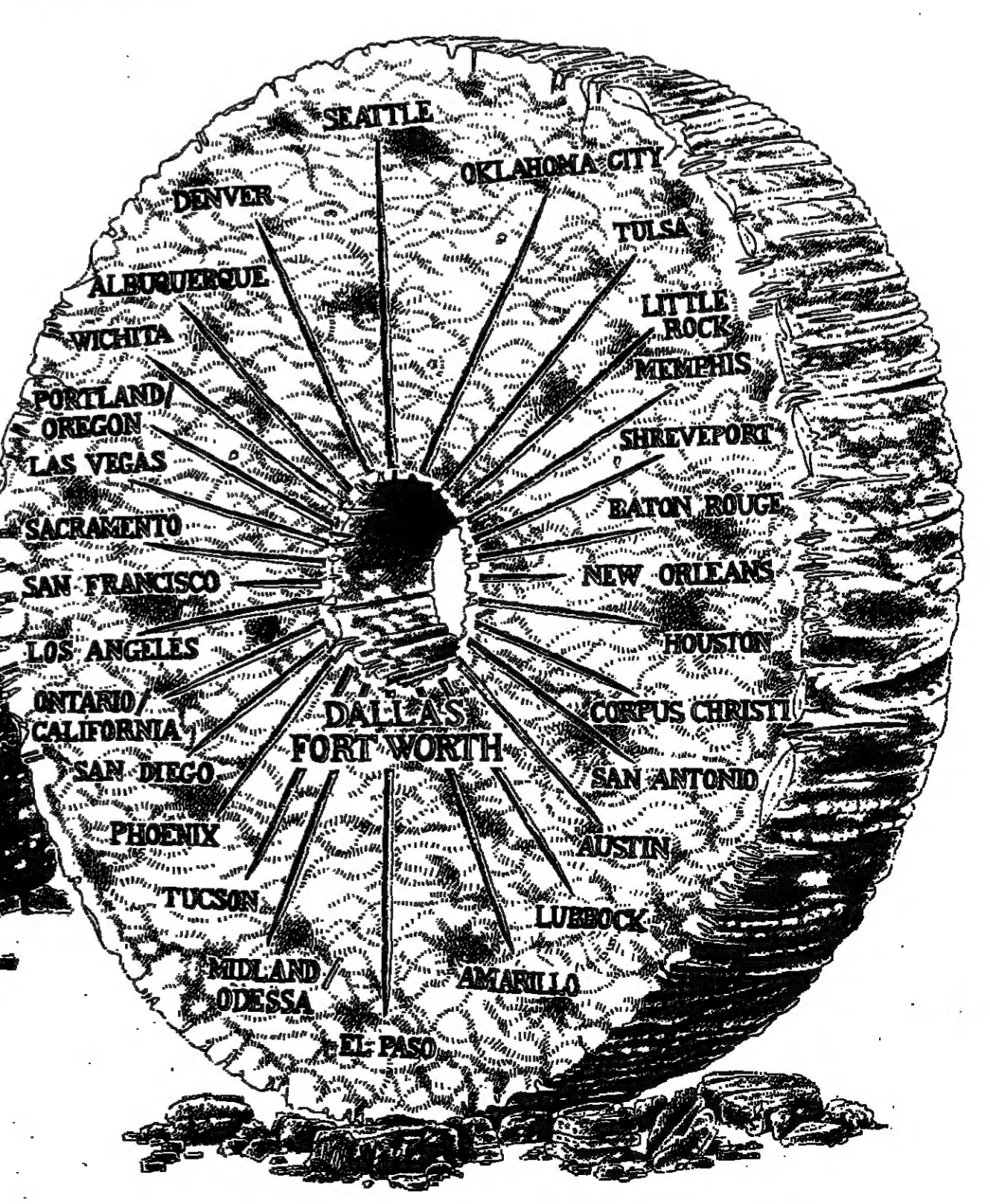
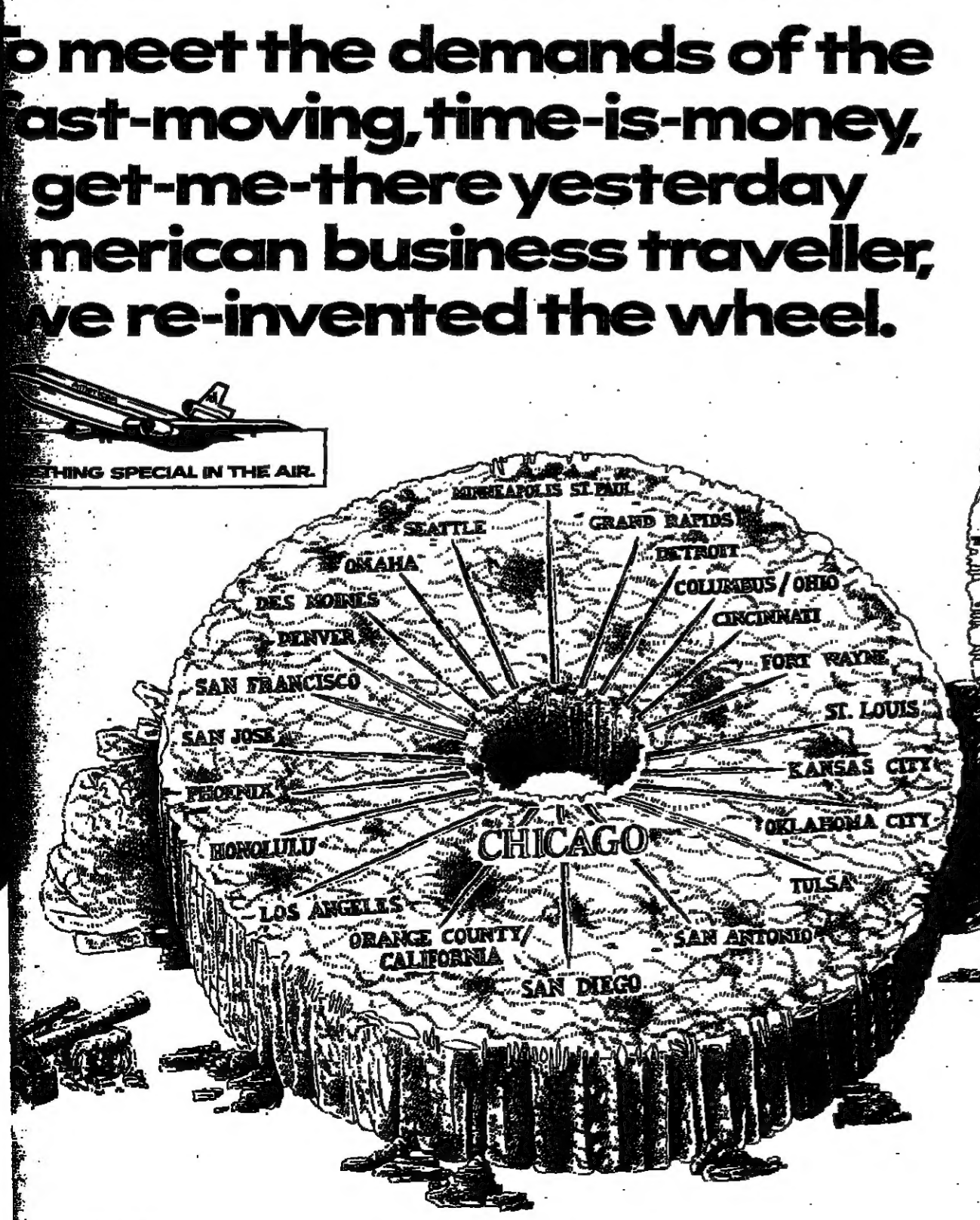
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## INTERNATIONAL POSITIONS

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## CIA Proposes a Law to Make Disclosing U.S. Secrets a Crime

By Stuart Taylor Jr.  
New York Times Service  
WASHINGTON — The Central Intelligence Agency has proposed to the White House that legislation be sought that would make it a crime for government employees to disclose national secrets without authorization, Reagan administration officials said.

The proposed legislation would authorize prosecution of government employees or former employees who "willfully" disclose "any classified information," with certain narrow exceptions, to reporters or others outside the government.

The maximum penalty would be five years in prison and a \$25,000 fine, the officials said Tuesday.

Although the Justice Department takes the position that such disclosures already violate criminal laws barring espionage and theft of government property, that inter-

pretation is in dispute in a pending court case.

The purpose of the CIA proposal is apparently to persuade Congress to establish beyond doubt that unauthorized disclosures of classified information by government employees are crimes.

The proposal does not appear to authorize prosecution of journalists or others outside the government who publish secrets that are disclosed to them. However, it might create a basis for seeking to force journalists to disclose their sources.

The proposal also specifies that a defendant could avoid conviction by establishing that the information had not been obtained through the defendant's government service, that it had already been published or that it was not "properly classified."

Information is "properly classified," the proposed law states, if disclosure "reasonably could be expected to damage the national security."

Sent with the signature of William J. Casey, director of Central

Intelligence, the proposal is being reviewed by the Justice, State, Defense and other departments. No decision has been made whether to send it to Congress, according to the officials.

Kathy Pherson, a CIA spokeswoman, said the proposal, a copy of which was obtained by The New York Times, had been designated secret by the agency on the ground that its disclosure while it is still being discussed would be "inappropriate" and "premature."

George Lauder, chief spokesman for the agency, declined to confirm whether the proposal had been classified or to discuss whether its disclosure would be considered a crime under the proposed legislation.

The proposal for criminal legislation is one of several steps the administration has taken or considered to combat disclosures, including a presidential order, later cut back somewhat, that provided for lifelong censorship of persons who have held certain official positions and greater use of polygraph machines, or lie detectors, to trace the source of disclosures.

Most of those measures, like the new proposal, have been aimed primarily at officials who make disclosures rather than the journalists who publish them.

## U.S. High Court Widens Detention Powers of Police

United Press International

WASHINGTON — The Supreme Court expanded police powers Wednesday to stop and hold a suspect without arresting him, saying there are no absolute time limits on such detentions.

The 7-2 ruling written by Chief Justice Warren E. Burger was an effort to resolve conflicts between the rights of citizens and police needs to question criminal suspects.

Adopting the Reagan administration's position, Chief Justice Burger overturned a U.S. appeals court ruling that dismissed the marijuana smuggling convictions of two North Carolina men because they were held in custody for 20 minutes without being arrested.

In another case, the court allowed continued use of lethal injections in executions, ruling unanimously that the Food and Drug Administration is not required to ensure the injections do not produce a slow and painful death.

WHAT WOULD LIFE BE LIKE  
WITHOUT IT?  
WEEKEND  
EACH FRIDAY IN THE IHT



**TAIWAN TRIAL** — Chen Chi-li, a reputed gang leader, was escorted on Wednesday to the Taipei District Court, where he faces charges of murdering Henry Liu, a Chinese-American journalist, in Daly City, California, on Oct. 15. Mr. Liu said in court that Vice Admiral Wong Shi-ling, former director of military intelligence, ordered the slaying, asserting that Mr. Liu was a spy.

## Japanese Tunnel Proves A Costly Accomplishment

(Continued from Page 1)

Seikan Tunnel will only expand the deficit. Construction is about a decade behind schedule, the \$2.8-billion price tag is more than three times the original estimate and regular train service to Hokkaido, expected to begin in 1988, is a sure money loser.

Domestic air travel in Japan has grown spectacularly, with two-thirds of the 12 million passengers who travel between Honshu and Hokkaido annually taking planes. The railroad estimated this month that 2.1 million passengers a year and 3.4 million tons of freight would be carried through the Seikan Tunnel — roughly one-fifth the volume forecast 15 years ago.

Normal train service through the tunnel is expected to lose at least \$36 million a year, and that is unrelated to the \$320 million the national railroad will be required to pay back each year to the construction corporation.

"When we look back now," the newspaper Asahi said months ago in an editorial, "we find many things to criticize, among them overoptimism about the plan and slowness in coping with the changing situation."

For thousands of tunnel ha — all of them men, superstitious having kept women out — the added worry of layoffs. Men were recruited from this village; neighboring towns on Hokkaido southern rim. They are not what they will do in two or three years, when they will have finished laying track and electrical lines.

Still, even the skeptics marvel at the engineering accomplishment. Actually, three Seikan tunnels were dug — the just-completed main one, which is 35 feet (10 meters) wide, and narrower pilot service tunnels finished earlier.

Of the total length, 14.5 km run beneath the Tsugaru Strait from Yokocho to Cape Tappi Honshu, at depths of up to 328 meters beneath the seabed and 787 meters beneath the water surface.

The world's second-longest tunnel, the 13.8-mile-long Daishin which also is in Japan, does begin to approach the Seikan length. The only possible rival, 32.2-mile tunnel planned to connect England and France under the Strait of Dover, but financial problems have halted that project.

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THE INTERNATIONAL  
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A WEEKLY GUIDE BY SHERRY BUCHANAN  
WEDNESDAY IN THE IHT

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كلدا من الاصل



# Soviet's Managers, Workers, Told of Need for Discipline

MOSCOW — Soviet officials, managers and factory workers were told Wednesday to take a new look at their attitudes to work and to spare for a decisive turn to a policy of intensive development.

An editorial in Pravda, the Communist Party newspaper, repeated the need for "discipline," indicating that the word is as firm a slogan under Mikhail S. Gorbachev, the new leader, as it was under Yuri V. Andropov.

"Strengthening of organization, order and discipline in all spheres of production and management," Pravda said, "is of ever-growing importance for the decisive turn of the economy on to the path of intensive development."

Mr. Gorbachev took power last week on the death of President Konstantin U. Chernenko, whose month rule has been seen widely as a stopgap period between his predecessor, Andropov, and Gorbachev's protégé, Mr. Gorbachev.

The Pravda editorial quoted Mr. Gorbachev's call for law, order and discipline in his first speech party leader. The past winter showed signs of an economic downturn that had to be halted, the editorial said.

Economic figures for the first months of this year revealed a sharp decline in the rate of growth of Soviet industrial production and productivity.

Pravda cited poor planning as an example of bad labor discipline in the energy, transport and metallurgy sectors for failing to meet many of their planned targets.

The editorial also attacked ministries, which in the Soviet economy act as central management for individual production sectors, for trying to get the maximum possible investment and lowest possible production targets in the next five-year plan.

"To successfully meet targets for this year and the whole five-year plan," Pravda said, "party, local council, trade union and Communist youth organizations need to take a new look at the organization of Socialist competition."

"Socialist competition" is the official term used to encourage factories to vie with each other in output in the absence of the capitalist profit motive and its consequences.

Under the terms of an economic experiment launched under Andropov and thought to have Mr. Gorbachev's personal backing, some factories are being allowed more autonomy over use of funds.

This means they can give top workers higher bonuses. Also, factories that improve production figures will be allocated more funds while those that do not meet targets may find less money at their disposal.

Pravda compared results at two metal plants in the Urals. Despite the fact that both had faced power cuts and other difficulties caused by the cold winter, one had increased production by 6.4 percent while the other had failed to meet its targets.

Also singled out for criticism was a major timber plant at Ust-Ilimsk in Siberia. Pravda said the plant, built to soak up surplus power from a vast but underused hydroelectric station, had failed to meet targets in January and February.



EASTER OFFERING — Pope John Paul II received an imposing chocolate egg from a delegation of visitors during his weekly general audience at the Vatican on Wednesday.

## France to Double Nuclear Warheads on Subs

LONDON — France will more than double the number of nuclear warheads aboard its submarines this year and will have nearly 500 submarine-based warheads by 1992, according to Charles Hernu, the French defense minister.

There will be 176 warheads in the French submarine force by the end of this year compared to 80 at the end of 1984, Mr. Hernu said in an interview published Tuesday in Jane's Defense Weekly.

France's sixth nuclear-armed submarine, L'Inflexible, will go into service this year, he said. It will be equipped with the M-4 missile, which carries six warheads, each with a yield of six kilotons. One kiloton has the explosive force of 1,000 tons of TNT.

The other five submarines also will receive M-4 missiles, bringing the total number of warheads in France's undersea force to "almost 500 by 1992," Mr. Hernu said.

French air and ground nuclear forces also will be updated, he added.

Increased European military strength "can only contribute to forging closer contacts among Europeans," he said.

Mr. Hernu said trade in military equipment between Europe and the United States is "very strongly" weighted in favor of the United States but is becoming less one-sided.

Greater "aggressiveness" by French executives and the development of unique European weaponry are helping to balance the equation, he said.

## Volunteers Discover Real Israel

### Army Work Program Has Attracted 3,600 Foreigners

By Thomas L. Friedman  
New York Times Service

JERUSALEM — If the Volunteers for Israel program had travel brochures, they might read, "Come to Israel, meet the people, see the land and learn how to repair the engine of a Patton tank or wash dishes for 1,000 soldiers."

Since its inception in early 1983, Volunteers for Israel has allowed about 3,600 foreigners — most of them Americans, 18 to 65 years old — to spend a month or more working on an Israeli Army base performing noncombat duties. It is not everyone's idea of a vacation, but to hear some volunteers tell it, it beats seeing Israel from a tour bus.

Dressed in standard-issue green Israeli Army fatigues and armed with two pink rubber gloves, Shirley Benson, a gray-haired mother of three children and grandmother of five, interrupts her dishwashing efforts in the mess hall at the Emanuel army base to explain what she is doing in Israel.

"I am a Jewish mother who left the kitchens of America for the kitchens of Israel," said Mrs. Benson, a 55-year-old resident of California, who forms part of a battalion of "Yiddish Mamas," as the Israeli soldiers call them.

"America has its Peace Corps," she said, "and this is also a kind of Peace Corps. We don't teach them anything, though. We give of ourselves. I don't do it for money. I do it for the wonderful feeling I get inside."

Mrs. Benson volunteered for a month with her husband, Ben, who is working on the same base, south of Tel Aviv, repairing the brake linings of Israeli Army jeeps.

The Volunteers for Israel program was the brainchild of one of Israel's most distinguished combat officers, Aharon Davidi, a retired general who headed the Israeli paratroop corps in the 1967 war. In August 1982, at the height of the Israeli invasion of Lebanon, Israeli industry and agriculture experienced a critical shortage of manpower, resulting in some unpicked fruit rotting on the vines.

General Davidi helped ease the crunch by organizing a group of volunteers to pay their own way to Israel and work in kibbutzim and industries critically short of labor. Some of those who took part in the emergency labor drive had such a good time that they pressed General Davidi to develop a permanent program whereby people of all ages could come and donate their labor.

The volunteers, who have come from the United States, France, Canada, Britain and South Africa, apply through the program's offices abroad. Those whose applications are approved pay about \$600 to cover round-trip airfare and some field trips in Israel. To avoid questions of dual citizenship, they must also sign a release form saying they have no intention of serving in the actual combat army or of pledging allegiance to it.

In return, on arrival at Ben-Gurion International Airport they get assigned to an army base in Israel proper, the occupied Golan Heights or the occupied West Bank. Each volunteer is given an Israeli Army uniform, boots, hat, field jacket and socks — all of which, except for the socks, must be returned at the end of the program. They live four in a room on their own floor in a regular army barracks, are integrated into all social activities on the base, get all the food they can eat and all the Hebrew and Israeli culture they can soak up.

Kristin Reed of Washington, an 18-year-old convert to Judaism, stood in the tank shop at the Emanuel base with her arm swallowed up in the depths of a tank engine.

A visitor asked what she was working on.

"It's a Patton tank," she replied with authority, stretching her arm deeper into the engine.

And what was she doing?

"Right now," she said, "I'm trying to put a new screw into a very hard place. Success! I got it!"

Not all the volunteers are Jews. Monty Crisp, a 31-year-old Christian fundamentalist from South Carolina, came to Israel to work on a kibbutz and an archeological dig but heard about the volunteers program and signed on.

"Being in Israel and knowing what an integral part of society the army is," he said, "I wanted to see it from the inside."

Lately, he said, he has worked with an Israeli team reconditioning a captured Soviet-made tank. Because he grew up on a farm and is familiar with basic mechanics, he said, he was easily absorbed into the work crew, despite some language difficulties.

"We reconditioned the entire tank and changed all the parts," he said, pointing to the tank, now bearing Israeli markings. "I never dreamed I would ever be under a Russian tank. I wish we had one of those on the farm. It would be great in the rainy season."

## Summit Seen as Likely in August in Helsinki

By Don Cook  
Los Angeles Times Service

BRUSSELS — Senior allied diplomats at the headquarters of the North Atlantic Treaty Organization believe that President Ronald Reagan and the Soviet leader, Mikhail S. Gorbachev, are almost certain to meet in Helsinki around the end of August.

There is, the diplomats point out, ready-made occasion for such a meeting — a ceremonial gathering mark the 10th anniversary of the signing of the agreements at the Helsinki Conference on European Security and Cooperation.

Finnish officials are said to be hopeful that the heads of the 35 signatory governments will be present for the anniversary.

It really seems now to be only a question of who makes the first move, a diplomat said. "If Gorbachev accepts the Finnish invitation, all the East bloc leaders will follow suit, and of course the NATO heads of state will also follow. If Reagan and the NATO members decide to make it a summit in Helsinki, then the Soviet side can scarcely stay away."

The 10 governments of the European Community informed the Finnish government more than six months ago that they would send foreign ministers to Helsinki for the anniversary. But at the last meeting of NATO foreign ministers in Brussels in December, this decision was modified to keep the door open for the heads of government to go. The final communiqué of the December meeting said the NATO governments would be represented in Helsinki "at an appropriate political level."

According to NATO sources, it is at U.S. insistence that this "ding was used."

Even while the late Soviet leader, Konstantin U. Chernenko, was still in power, the United States wanted to open the possibility of a Helsinki summit meeting open, a U.S. source said.

With the death of Mr. Chernenko and Mr. Reagan's clear invitation to Mr. Gorbachev to visit the United States, the prospects for a meeting have changed. Talk of preconditions and careful preparation has subsided.

So far, Mr. Gorbachev has been unresponsive. NATO diplomats doubt that he is prepared to travel to the United States within the next six months, but they believe that Helsinki would be an attractive alternative.

In August 1975, at the Helsinki ceremony where the agreements were signed, President Gerald R. Ford met with the Soviet leader, Leonid I. Brezhnev, to discuss preliminary steps in the SALT-2 agreement on limiting strategic nuclear weapons. Mr. Ford and Mr. Brezhnev followed up with a meeting in Vladivostok, in the Soviet Pacific.

U.S. Official Is Pessimistic

In Washington, a White House official told The Associated Press that it would be "pretty safe to rule out" a meeting in Helsinki. The official, speaking on condition he not be identified, noted that Mr. Reagan has repeatedly accused the Russians of violating the Helsinki accords and would, therefore, not help them celebrate the pact.

## Pretoria Builds Electrified Wall

CAPE TOWN — South Africa has built an experimental electrified wall along a stretch of its border with Zimbabwe, Defense Minister Magnus Malan has told Parliament.

Officials told the Johannesburg Sunday Express newspaper that the nine-mile (14.5-kilometer) barrier is meant to stop illegal immigrants from entering the country in search of work. The paper said the wall is topped with coils of razor-sharp "blade wire" and 11 strands of electrical cable.

General Malan told Parliament on Tuesday that the wall was "an integrated experiment with border barrier systems" and had cost \$1.25 million. He said warning signs would be posted at intervals and that farmers had been asked to warn employees that the barrier would be charged with 20,000 volts.

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## 3 Jailed Dissident Poles Reportedly Are Indicted

## Wave of Strikes in Italy

**SPEEDY GERMAN** — An experimental high-speed intercity passenger train, commissioned by the West German state railroad, leaves the Krupp factory in Essen. The locomotive, capable of traveling at 220 miles per hour, will enter service in the 1990s.

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## INTERNATIONAL

"We do not want any politic prisoners in Poland at all," he said Tuesday. "Many of those who are now in prison were decisively striving to be put there."

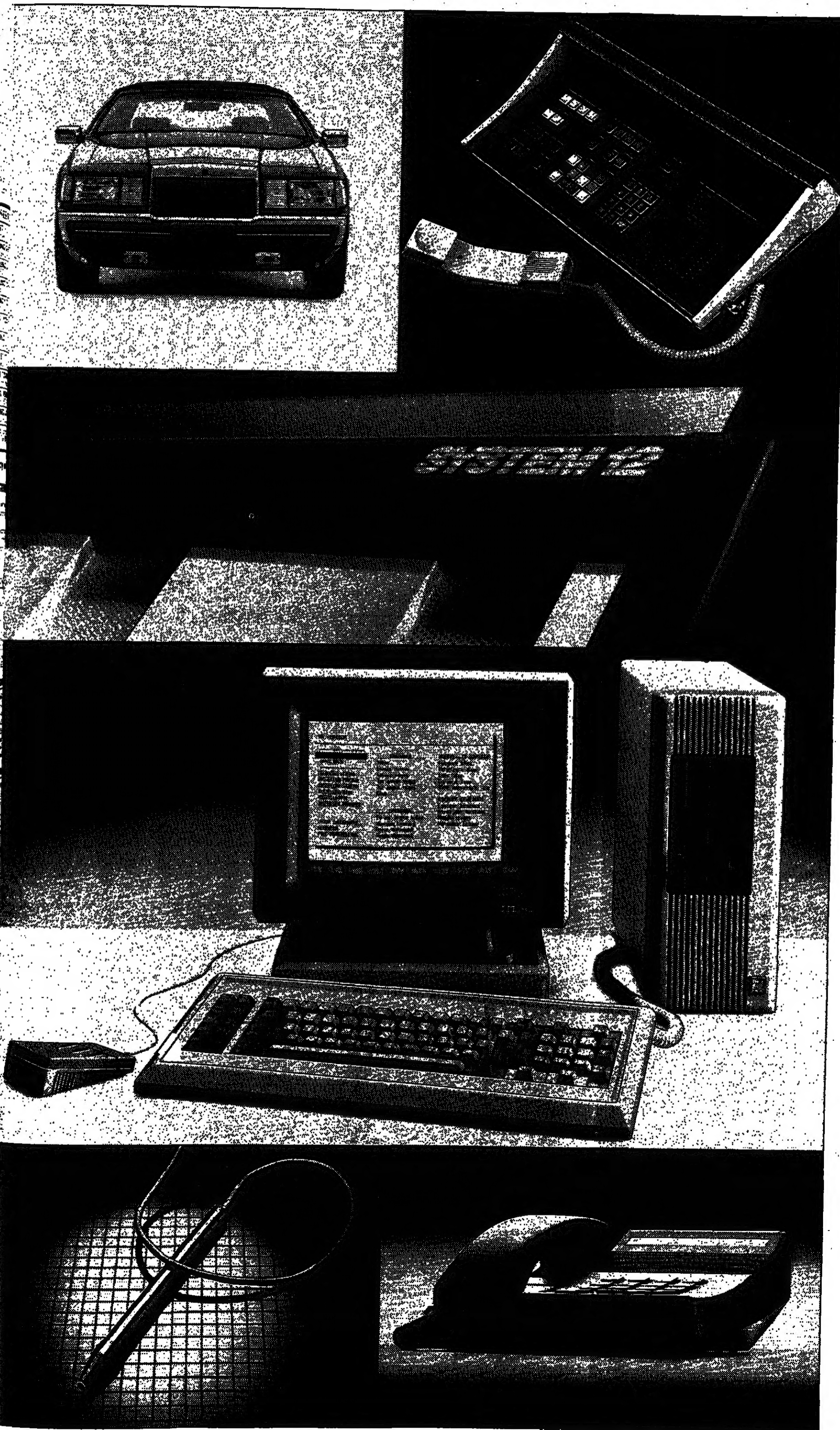
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# INTERNATIONAL Herald Tribune

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## Much Ado About the MX

The extraordinary thing about the MX debate is that in the fifth year of an administration which won re-election on a platform of military strength, the particular weapon most symbolic of that quest for strength remains in deep political trouble — no matter that it cleared one hurdle in the Senate on Tuesday. However the votes finally come out, the president's struggle to get them tells a political tale.

Is there left a legislator who has not received a personal MX appeal from President Reagan? The scale of his exertion falls somewhere between formidable and epic. Perhaps inadvertently, he has set a new standard of presidential commitment against which his subsequent appeals for this or that are bound to be measured. Yet his appeal has been resisted, if not altogether rebuffed, not merely by legislators of a different partisan or ideological persuasion but also by defense-minded legislators, including some in his own party.

The upshot is that even a victory in the current series of votes will have a Pyrrhic quality. It cannot possibly produce the success at Geneva that many people will have been led to expect by the president's dire warnings of what a negative vote would bring. His campaign has taken important swing legislators to a point where they may reluctantly support MX now, chiefly because of the damage a "no" might do to the American position at the Geneva talks, but they are damned if they will vote for the 48 additional MX missiles needed to complete the administration's MX buy.

Meanwhile, the MX has become a leading

exhibit in the general indictment holding that the administration throws money at military problems without knowing what it is doing. This indictment, key legislators believe, is bound to make its mark on the administration's defense planning and spending.

It is unfair to put the entire burden of the MX on the Reagan administration. The missile was, first, a Ford and Carter project. But Mr. Reagan did not merely inherit a debatable missile program; all missile programs are debatable. He added a philosophy — build great strength and negotiate from it — that does not lend itself easily to the proportion and intelligence that even many of his supporters feel ought to be essential elements in security policy. Proportion and intelligence are after all the quintessential conservative virtues. The MX without "star wars" was one thing; the MX with "star wars" is — well, people want to think about it. The president's seeming indifference to a proper connection between defense and the deficit adds to concern.

There is in the Reagan administration an awareness of the range and depth of reservations it has stirred on security issues, among its friends as well as its political adversaries. It does not bode well that, regarding the MX, the president felt it necessary to launch a Normandy invasion to capture such a relatively small objective. What Mr. Reagan most needs to demonstrate, and most of all to the Russians, is a command of the American political arena. Yet that seems to be where his frailty lies.

—THE WASHINGTON POST.

## Federal Insurance for All

"Is my money safe?" That is the question aroused in depositors all over the United States by Ohio's temporary closing of 71 privately insured savings institutions.

The answer is an unequivocal "yes" for the great majority — everyone with deposits up to \$100,000 in banks covered by federal insurance. Federally insured accounts are, for all practical purposes, backed by the government's power to create money. But what of the minority? What of depositors in the small number of banks that lack federal coverage and rely instead on problematical state insurance? However well managed, those institutions are vulnerable to the sort of crisis that has beset Ohio. And when it explodes, depositors must expect to bear the brunt of the shock.

It would therefore serve both individual depositors and the financial system as a whole to require federal insurance for all banks.

Ohio's turmoil began with the failure of the Home State Savings Bank on March 9 after it had lost millions in the collapse of a securities broker in Fort Lauderdale, Florida. Once Home State went under, depositors at the other banks insured by the Ohio Deposit Guaranty Fund nervously began withdrawing their money. Many, perhaps all of these banks have sufficient assets to cover their liabilities to depositors. But none could raise the cash

overnight, and Governor Richard Celeste wisely chose to close them until confidence in the system is restored. But even a happy ending should serve as a warning.

Businesses go bankrupt every day. The risk of bankruptcy is indispensable to the market's efficient allocation of scarce capital. But banks are not like other businesses; if some start to fail, confidence in all banks is diminished. A modern economy cannot operate efficiently unless depositors are sure their money is safe.

Until recently one could plausibly argue that private bank insurance was sufficient to maintain confidence. But the increasing integration of the financial system — the links, for example, between a bank in Ohio and a securities broker in Florida — puts all financial institutions at greater psychological risk.

In any case, small depositors have no idea of how much risk they bear. Indeed, in a system in which most banks are federally insured, they are easily misled into assuming that all banks are equally well insured.

The remedy is for Congress to insist that all banks and thrifts get federal insurance or quit the banking business. That alone will not guarantee complete confidence in banking, but it would spare other depositors and other states from having to repeat Ohio's unhappy ordeal.

—THE NEW YORK TIMES.

## Other Opinion

### For an East-West Summit Soon

The momentum of the Soviet bureaucratic decision-making process precludes a sudden reversal of policy, particularly internationally. It is like a large oil tanker — even if the captain wishes to change course, and this has yet to be proven, it takes a long time to turn around.

It is natural to look for rapid changes in the Soviet attitude to nuclear weapons. Here Mr. Gorbachev will face formidable difficulties. Grigori Romanov has a reputation for being the general's man and will watch carefully for any sign of deviation. The military leadership has become very strong and assertive.

What is needed is a personal meeting between Mr. Gorbachev and Mr. Reagan to allow some empathy to develop between them as individuals. President Reagan is going to be in Europe for the Bonn economic summit between May 2 and 4. A meeting in Vienna just prior to the 40th anniversary of V-E Day on May 8 would be the appropriate moment to start to reorder East-West relations.

—David Owen, writing in *The Observer* (London).

### Stirring Up Today's Balkans

Dwight D. Eisenhower's comment to me in 1956 that the Middle East was bound to become the Balkans of the last half of the century has been abundantly supported by the events of the past several days. The war between Iran and Iraq, for months confined to isolated air attacks on shipping, has unexpectedly moved into a high-intensity phase. The situation in Lebanon is deteriorating rapidly.

There is a real connection between these two crisis areas. The most dangerous factor in the Gulf war and in Lebanon is the growth of Moslem fundamentalism. Since the end of World War II, the Middle East has been an arena of violence and a source of discord among the great powers. Now a new ingredient has been added to this witches' brew, and no one can say how far the poison will spread.

—Syndicated columnist Drew Middleton.

The Iraqi declaration that Iranian airspace is now a war zone endangers the lives of Japanese and other foreigners staying in Iran. In the course of the war, both sides have inflicted damage on third countries through attacks on tankers, mining of the sea and polluting seawater with oil spills to further their own aims. This is not fair. It is obvious that this war is the height of human folly.

—The Daily Yomiuri (Tokyo).

### No Hurry in Southern Africa

The situation in both Mozambique and Angola is that neither the government nor the rebels seem able to sway the balance in their favor undisturbed, yet neither side is prepared to negotiate because each thinks it is on the road to victory. Apart from a few minor economic difficulties, South Africa is not seriously disadvantaged by the chaos that has resulted, and is far less dependent on good relations with its neighbors than the other way around. Pretoria would be glad if peace could be arrived at, but if not, it can live with the alternative.

—Neue Zürcher Zeitung (Zurich).

## To Have Reductions In Offensive Missiles

By Jeremy J. Stone

WASHINGTON — The Reagan administration says it wants a "radical reduction" in offensive nuclear arms during the next 10 years. Such reductions are increasingly admitted to be crucial to the success of the defensive weapons that the administration seeks. Many observers have concluded that talk of radical reductions is just talk, unlikely to lead to any actual diminishing of nuclear arsenals.

But the new Soviet leadership might be able to force such reductions if it played its cards properly. The Russians clearly see the Reagan administration's Strategic Defense Initiative as an enormous obstacle to new agreements. But what if the Soviet Union decided to try to pre-empt and preclude "star wars" deployment through an agreement on reductions of offensive weapons? For example, the Russians might propose a program of continuing, progressively deeper cuts in

Nikolai Chervov of the Soviet general staff. If America proceeds with the SDI, he said, the Soviet Union will respond by adding new capabilities to its offensive arsenal.

It is not surprising that a Soviet general would think the best response to new American defensive measures is more offense to overcome them. This has been the traditional approach of both superpowers, and explains why they adopted the 1972 ABM treaty.

But the "star wars" defense will be a long time building, and to respond to it with new offensive weapons the Russians will have to come up with new kinds of weapons and new tactics anyway. So reductions of existing offensive systems could still be possible.

Such a strategy is also consistent with the Soviet use of arms control to moderate U.S.-Soviet relations. It is precisely this "bear hug" approach that is often feared by

*'We both believed that we might conclude a 50-percent reduction in nuclear arsenals.'*

offensive weapons that would continue only as long as the United States refrained from field-testing or deploying defense systems prohibited by the 1972 treaty banning anti-ballistic missile systems.

A well designed program of annual reductions of 5 percent in each side's inventory of warheads would bring substantial reductions in a relatively short time, and could politically tie up "star wars." This might be the Soviet ace in the hole.

To make such a proposal the Russians would have to overcome their first instinct, which was outlined in Washington recently by General

American hawks opposing arms control, on the ground that relaxation of tension will really mean relaxation of American vigilance. On the other hand, steady reductions over a long period would be an appealing idea, bound to find many supporters in the United States, making it harder to reject.

There has been considerable support in the United States for the idea of progressive, steady reductions. In 1979 the Senate Foreign Relations Committee unanimously supported a resolution urging Moscow and Washington to pursue "continuous year-by-year reduc-

## Defense Is Only a Vision; Deterrence Is a Reality

By Christoph Bertram

HAMBURG — A European who remembers the heated and bitter debate over whether U.S. Pershing and cruise missiles should be deployed must ask for understanding if he finds it difficult to follow the present American advocacy for strategic missile defense.

In the debate in Europe, anti-nuclear protesters, the political left and many churchmen were claiming that deterrence was no longer acceptable as the basis for security. It was, they said, profoundly immoral to threaten the destruction of another society. As we know, their protest did not succeed. But now no less a person than the president of the United States is saying virtually the same thing:

*The human spirit must be capable of rising above [deterrence].*  
— March 1983.

*Would it not be far more humanitarian to say that now we can defend against a nuclear war by destroying missiles instead of slaughtering millions of people?*  
— October 1984.

*There is a better way of eliminating nuclear war than retaliation with a deadly counterstrike.*  
— February 1985.

What makes these remarks so disturbing is not that they may or may not be correct at some time in the 21st century, but the effect they have now in the 1980s and 1990s.

At this stage nobody knows if there ever can be, from a technical point of view, a reliable defense against ballistic missiles; most scientists doubt it. And nobody knows all the counter-measures that a determined enemy might develop. Nor does anyone know whether such a system could be funded. The price tags currently quoted of around \$500 billion are as speculative as the rest of the exercise.

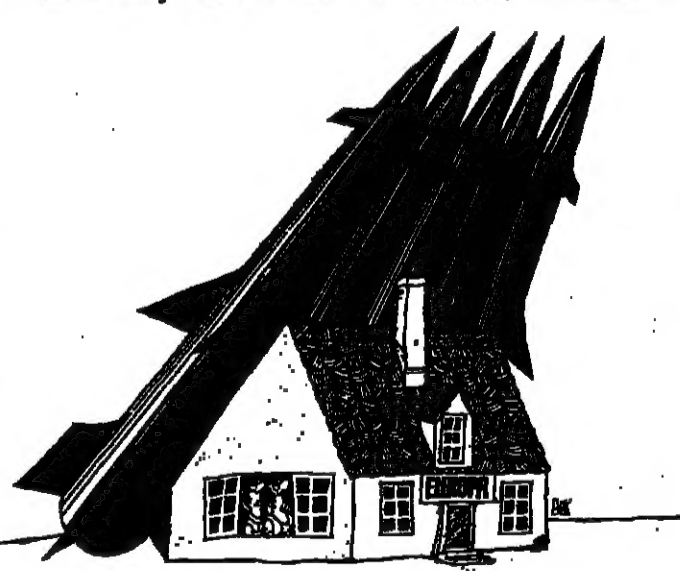
On this shaky basis, caution rather than enthusiastic advocacy would seem the order of the day. One would expect a serious research effort to

identify what is possible in defensive systems, coupled with persistent emphasis that, for the foreseeable future, there is no alternative to the "balance of terror" as the underpinning of our security.

Yet we are seeing something very different. From the highest authority of the Western world comes word that the dreadful, morally repugnant days of deterrence through the threat of retaliation are numbered and the bright, new and morally sound alternative of strategic defense is high.

If deterrence were a robust doctrine with strong public support, one could dismiss these statements as the typical American way of presenting visions as if they were reality. But deterrence is far from enjoying popular support. It has taken a serious knocking in recent years. Skepticism, doubts and outright rejection have grown in all Western societies.

There are many reasons for this.



By EWK in Aftonbladet (Stockholm). Distributed by Cartoonists &amp; Writers Syndicate.

## Seemingly Seamy and Thus Unseemly

By William Safire

WASHINGTON — "Unseemly" is not a word used often these days. If it is not illegal, goes the post-post-Watergate morality, it is not wrong. To denounce an act as "unethical" draws a smirk. "Improper" gets a shrug. The weakest of these, "unseemly," carries as little sting as "inappropriate."

I am reminded here on what observers in Washington have come to call, with world-weary amusement and not the slightest pricking of conscience, "the BMW affair."

As scandals go, it is no big deal. White House aides, advance men and Secret Service agents went to West Germany to make arrangements for President Reagan's trip to the Bonn economic summit in May. Many of the Americans proposed to make excellent arrangements for themselves, using diplomatic passports and their Reagan association to purchase BMW automobiles at a 20-percent discount.

A few of us — bluenoses, stiff, sensation-seeking ethicists — think it worthy to note the irony in the president's men paving the way for his economic discussions about the overvalued dollar by taking the time to ship home German-made cars for personal use in America.

Some doubt that it is fitting for White House aides, whose transportation to Europe was paid by the taxes of autoworkers in Detroit, to take advantage of that travel to buy the products of those who compete with American autoworkers.

A few others lift an eyebrow at the propriety of U.S. government officials getting something for

nothing. In the case of Michael Deaver, the presidential aide who rose to great heights on the basis of his sensitivity to public opinion, his "perk" was a saving of about \$8,000 on a sedan. What did BMW expect to receive in return for this largesse?

Ordinary American tourists and tax-harassed executives could ask: When these cars are resold in America new or used, should this discount, available only to some special Americans with black diplomatic passports, be reported to the IRS as a taxable fringe benefit?

After Newsweek unveiled the deal, a Secret Service spokesman told Howard Kurtz of The Washington Post that none of its agents were involved. Said a BMW official, asked if the special discount would be available if any White House officials planned to resell the cars, "I'm in the car business. I'm not in the morality business."

How did President Reagan react to the private dealings of advance men sent abroad on the public's business? His was the classic everybody-does-it response: "You're talking about something that has gone on for a great many years, that exists in our embassies in all other countries. It's a standard practice."

The White House counsel, Fred Fielding, was called upon to give his imprimatur to the car-buying scheme. The role of White House counsel has degenerated into (1) publicly condoning the tawdry acts, short of outright graft, of staffers;

(2) ducking embarrassing inquiries; (3) writing a new regulation to prevent them from doing it again.

True to form, Mr. Fielding put out a statement that he found "nothing per se illegal or unethical" about the purchases of the nine luxury cars on the Bonn advance. Then he distributed a directive forbidding future abuse of the diplomatic passport by advance men.

The Secret Service spokesman, it turns out, had been misinformed; some agents did purchase the BMW cars. White House aides who drive rickety American-made vehicles charge that this deal was brewed about for months by members of the Secret Service White House detail. The new secretary of the Treasury should ask: Granted, such acceptance of foreign favors is not unlawful, but isn't it unseemly for these brave men to be touting foreign-car discounts on the side?

Ah, there is that word: "unseemly." When something gives you a creepy feeling, when the president of the United States is forced by the dictates of personal loyalty to uphold a practice he knows degrades his aides and his office; when the lawyer on the premises says it was okay up till now, but not to worry, it won't happen again — then we have an example of unseemliness.

People in high places tend to feel that an admission of unseemliness weakens them. Not so, Mr. Reagan would have done better to say: "I know it's been done all along, but that sort of thing doesn't set right with me. I told them to cut it out."

The New York Times.



By COCO in the China Times (Taipei). Distributed by Cartoonists &amp; Writers Syndicate.

tions in the ceilings and subceilings under the [SALT-2] treaty so as to take advantage of the treaty already negotiated and to begin a sustainable and effective process of reductions in strategic arms."

At the June 1979 Vienna summit, after six months of Pentagon studies of the proposal, President Jimmy Carter suggested just such an agreement: a 5-percent annual shrinkage of SALT-2 limits and sub-limits for five years. As Mr. Carter reported later on his conversations with Leonid Brezhnev, "We both believed that we might conclude a 50-percent reduction in nuclear arsenals on both sides even below the SALT-2 levels." This would suggest that the Pentagon signed off on several years of this percentage of annual reduction of SALT-2 limits.

Shrinking SALT-2 by 50 percent would achieve most of the goals set by President Reagan in the 1982 speech in which he called for, among other things, reducing ballistic missile warheads to about 5,000. And while his administration called the SALT-2 treaty "fatally flawed," the principal flaw now cited is the treaty's failure to include disarmament. A proposal to shrink SALT-2 would repair that failure.

Moreover, an agreement of this kind would be easy to negotiate — it only requires agreement on a single percentage. Proposing it would give

the Russians both the moral high ground in these negotiations and a real prospect of heading off the defensive arms race that certainly worries them. Public opinion in Europe and America would surely be impressed by such an offer.

But a successful negotiation along these lines would not have to be seen as a victory for the Russians. On the contrary, it would give President Reagan an enormous triumph: He could describe it as just what he intended all along — real reductions. And he could keep his "star wars" research, provided it stays in the laboratories.

If, after far-reaching reductions, the two sides were willing to accept, wanted to purchase and could figure out how to live with some kind of population defense, President Reagan could get that, too.

Finally, for those of us who believe that "star wars" puts America on absolutely the wrong road for national security, there would be pre-emptive arms control instead. As the idea of building a defense gains momentum in America, there may be no better solution for the Russians than to hold "star wars" hostage with a reduction agreement of unlimited duration.

The writer is director of the Federation of American Scientists. He contributed this to *The Washington Post*.

clear retaliation in order to prevent an attack is a very different matter.

And we may have no choice. If past experience is any guide, the attempt to escape from the nuclear dilemma through strategic defense will end up like all other attempts in history that sought to replace offense by defense: with a new arms race, and, despite major efforts, no basic change.

If the Strategic Defense Initiative should escape this fate, it would be little short of miraculous — something to believe when it happens but not to bank on now.

The difference between those in favor and those against the SDI is whether, in some distant future, defenses against ballistic missiles could really constrain a determined enemy attack. That remains to be seen. In the meantime, as Paul Nitze, special adviser on arms control to the president and the secretary of state, notes, for "at least the next 10 years we will continue to base deterrence on the ultimate threat of nuclear retaliation. We have little choice; today's technology provides no alternative."

But the constant attempts from the White House to talk strategic defenses up by talking retaliation down will make it increasingly difficult to regenerate and maintain public support for the West's nuclear doctrine. What if, at the end of all the research, a strategic defense, the bright new world, fails to materialize and we arrive back where we started — in the old, grey world of deterrence?

Enthusiasm for the SDI is thus an example of the familiar human failing of constructing the future before mastering the present. Unless solid research results allow for a proper examination, it is an example of strategic escapism. There is, for a long time to come, no alternative to keeping the peace by threatening an enemy with nuclear destruction.

Political leaders, instead of straining further an already brittle consensus in our societies, should seek to strengthen it through realism and not weaken it through illusions. In the nuclear age, you play around with deterrence at your peril.

The writer is political editor of the weekly *Die Zeit* and a former director of the International Institute for Strategic Studies in London. He contributed this comment to *The Washington Post*.

Letters intended for publication should be addressed "Letters to the Editor" and must contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

## Don't Split Europe's Convoy

By Giles Merritt

BRUSSELS — The Common Market is a joke, as anyone who has business in more than one European country can confirm. Trucks routinely held up at frontiers for hours on end, and often for days. Exporting goods to non-Community destinations can be more straightforward and profitable than coping with the bureaucratic demands of neighboring EC country.

So, on the face of it, the latest move by France and West Germany to link up with the three Benelux countries and form a super-efficient customs union at the heart of the Community might be warmly welcomed. In fact, it is a development that must be viewed with alarm.

The risk is that the five countries now trying to bind themselves together into a new common market will instead destroy the Community of 12. In order to streamlining their customs and immigration procedures, they may jeopardize the EC's political and economic ties.

The attractions of recreating the original spirit of the Common Market are understandable. There is conviction in Paris and Bonn that something has gone very wrong with the Community launched back in 1957, and that only the original signatories of the Rome treaty are sufficiently "European" to rebuild the EC that the founding fathers envisaged. (If Italy has been excluded from the negotiations now taking place in Paris, it is chiefly because President François Mitterrand fears the Italian propensity for delay.)

A strong flavor of the good old days, "was" a senior Belgian civil servant described the atmosphere of the French and German ministers' Benelux counterparts in Brussels last month to launch the complex negotiations for dovetailing nation procedures. By early next year a treaty should be able to cross any border the new zone in under 10 minutes.

The French-German drive to cozy the tighter links of the Benelux economic union dates back to last June and the Kohl-Mitterrand summit in Saarbrücken. Hard on the heels of the previous month's Fontainebleau decision by all the EC heads of government that internal trade liberalizations were urgently needed, if two leaders evidently concluded that they could not wait for Brussels' cumbersome diplomatic procedure.

The Benelux countries were delighted. They are ardent supporters of ever closer European integration. They have been the Community's soul and conscience ever since 1 day in September 1944 when the Belgian, Netherlands and Luxembourg governments-in-exile met in Leiden's Savoy Hotel to agree on a 9-point manifesto that came into force 10 years later as the EC's precursor.

The Benelux union has remained kernel of the Community with special cooperation pacts uniting the three governments. But it is transforming into something much less desirable by the addition of France and West Germany. It becomes the vehicle for a "two-speed Europe."

The possibility that the EC in split, with one group forging ahead while the other lags ever farther behind, is an old political bogey. The EC's cohesion and its international clout would be weakened.

Yet the truth is that synchronized political stances of the 10 member governments has become progressively harder, and most of those governments have begun to entertain ideas of a two-speed Europe even they have been careful not to say.

The code words are "Europe of variable geometry," meaning projects like Airbus that do not press mirror EC membership, and "a tier system" that acknowledges that some EC countries are richer than others even if economic convergence is officially the Community's goal.

For more than 25 years the ethos of Europe has been that convergence is essential to unity. But that spirit of enlightened self-interest by the richer EC countries no longer prevails. Chancellor Helmut Kohl made it plain enough in Dublin last October when he remarked that the EC's a convoy that can no longer afford to sail at the speed of the slowest ship.

Mr. Kohl and others who believe that the EC's future lies with the countries that are the most progressive might reflect on the warlike technique of convoying: The big, they are, the safer they become.

It is in any case impossible to tie the clock back to the time when the Community was a traditional entity. Today, Bonn and Paris would do well to discuss trade liberalization with all of their EC partners.

International Herald Tribune.

## LETTER TO THE EDITOR

### Missiles and Missiles

The editorial "The MX in the Real World" (March 2) contains two errors. The first is the notion that the United States has no missiles matching the capabilities of the Soviet SS-18s and SS-19s. The capability of interest here is the ability to destroy missile silos, a capability that depends mainly on accuracy and that can be quantified in terms of the "silo destruction probability." The U.S. Minuteman-3 missile with a Mark 12A warhead, first deployed in 1979, is accurate to within 220 meters (720 feet) and has a destruction probability of 58 percent against typical silos. The Soviet SS-18 (in the 10-warhead model) has an accuracy of 260 meters and a destruction probability of 56 percent. The SS-19 is similar. These highly accurate Soviet models were first deployed in 1982, three years after the upgraded model of the Minuteman-3, and are obviously comparable to it. The MX, on the other hand, will be the first of the true silo-

destroying ICBMs, having an accuracy of 90 meters and a destruction probability of 99 percent.

The second error is the notion that the Soviets have an advantage due to their ability to knock out a high percentage of U.S. ICBMs. The U.S. can knock out of theirs. Seen above, this situation is not to any advantage of Soviet missile technology. It is entirely due to the fact that the Soviets have placed percent of their warheads on large ICBMs, while the United States has put only 25 percent ICBMs, wisely basing the remainder on bombers and submarines. So, of course the Soviets can destroy a high percentage of America's ICBMs, but ICBMs are only part of the Soviet strategic force. The total Soviet strategic force is actually significantly more vulnerable to a U.S. surprise attack than the total U.S. force is. The correct MX deployment 'make this disparity much greater.'

ART HOBSON

Stockholm

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SCIENCE

IN BRIEF

Turkish Scientist Suggests Ark Site

ANKARA (Reuters) — Noah's ark could not have landed on Mount Ararat in Turkey, where many have sought its remains, according to a report by Yilmaz Guner, a government geologist who analyses forms of landscape. But he did not rule out the possibility of the ark's having come to rest on Mount Cudi, also in Turkey.

In a paper prepared for a scientific convention, Dr. Guner said that the Old Testament flood was probably an ocean tidal movement and that Ararat, near the Soviet border, was too high to have been reached by it. A possible landing place was Cudi, near the border with Iraq, he said.

He said a boat-shaped rock formation on Ararat was merely a shape frequently found in volcanic regions.

Bees Said to Store Photo-Like Images

WASHINGTON (NYT) — The ability of honeybees to remember the shapes and patterns of flowers seems more sophisticated than scientists had realized.

Dr. James L. Gould of Princeton, using an experimental device that had artificial flowers with different patterns, tested honeybees' abilities to learn the differences. He concluded, in a report in *Science* magazine, that bees can indeed remember by storing photo-like images in their brains.

There also seem to be prejudices built into honeybees' recognition systems, he said. For example, it has also been learned recently that bees seem to prefer the color violet. No one knows exactly why this preference exists, but the bees will learn most quickly to recognize violet-colored sources of food.

World Has 344 A-Plants, Agency Says

VIENNA (NYT) — By the end of 1984, the International Atomic Energy Agency reports, there were 344 atomic reactors — 33 came on line last year — delivering electric power in 26 countries. The agency said nuclear reactors have an accumulated 3,500 years of operating experience with no accident having significant harmful effects on the public.

The percentage of U.S. electricity derived from nuclear power, the agency reported, was 13.5, roughly equal to the world average. The statistic for the Soviet Union was 9 percent.

The French percentage, 58.7, was highest, followed by Belgium, 50.8 percent, and Finland and Sweden, both more than 40 percent. Others included Switzerland, 36.5; Bulgaria, 28.6; West Germany 23.2; Japan, 22.9; Hungary, 22.2; Spain, 19.3; Britain, 17.3; Canada, 11.6; Czechoslovakia, 8.5; and the Netherlands, 5.8.

Cities Called Mosquito Breeders

ATLANTIC CITY, New Jersey (AP) — U. S. urban areas have become prime breeding grounds for mosquitoes, which are attracted by lights and pools of water. Dr. William R. Horsfall, professor emeritus at the University of Illinois at Urbana-Champaign, has told the American Mosquito Control Association at its annual meeting.

One result of the rising urban mosquito population may be an increase in cases of mosquito-carried disease, he said. "Nationally, the mosquito population is greatly reduced," he said, but the insect's numbers are on the rise in metropolitan areas.

Dr. Horsfall said lights on buildings and the blue street lights popular in most urban centers draw mosquitoes, while sodium vapor street lights with an orange glow are less alluring. In addition, development in cities as upset normal drainage, he said.

New Coating Sought for Catheters

GAINESVILLE, Florida (UPI) — Infections associated with urinary catheterization, which about 7.5 million people undergo in the United States every year, are believed to contribute to up to 56,000 deaths annually, but a University of Florida engineer is trying to develop a coating to prevent the buildup of crystalline material frequently observed on such infections.

Chris Batich, a materials engineer, said the coating would prevent aluminum oxide crystals from sticking to the portion of the catheter that enters the bladder and in the interior of the tube.

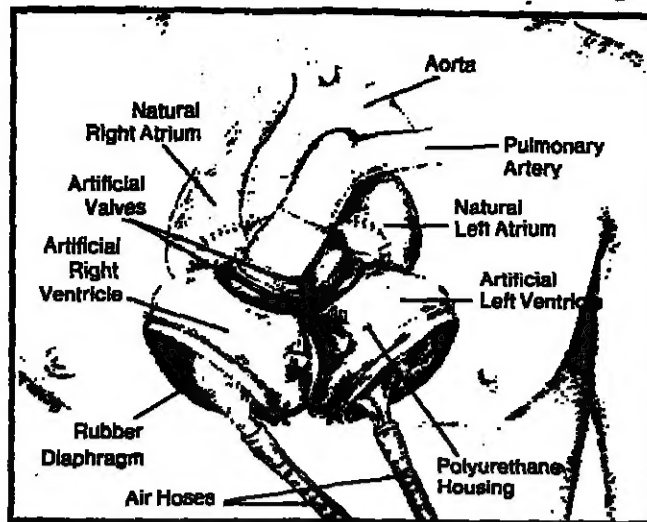
Catheter manufacturers usually apply silicone or Teflon coatings to the tubes. But Mr. Batich said the coating must be able to flex with the inflation of the small balloon that locks the catheter in place, and tiny cracks that attract the crystals often develop on the surface.

Learning to Live With the Artificial Heart

By Lawrence K. Altman  
New York Times Service

TUCSON, Arizona — William T. Schroeder did not attend his son's wedding Saturday, but he did attain a medical milestone. Despite extreme physical weakness and damage from a severe stroke, he reached his 112th day on a Jarvik-7 heart. That is how long Dr. Barney Clark, the first human to receive the device, lived with it.

Artificial hearts got two other boosts last week, both from the Food and Drug Administration. The federal agency approved Dr. William S. Pierce's plans to use the Penn State heart experimentally at the Hershey (Pennsylvania) Medical Center. And an FDA official on a fact-finding visit to the University of Arizona Medical Center encouraged Dr. Jack G. Copeland to seek permission to use artificial hearts in the transplant program he heads here in Tucson.



How Jarvik-7 artificial heart fits into chest.

ventricle, giving the damaged muscle time to recover.

Dr. Copeland used the Phoenix heart as a temporary measure, although he said later that he had not considered what he would have done if, during the time it was sustaining Mr. Creighton, the patient had had another stroke or other medical catastrophe that would have made the second transplant inadvisable. Dr. Copeland said the machine, which was designed for a calf, not a human, worked flawlessly until it was removed to give Mr. Creighton his fourth heart of the week (counting the one he was born with). The surgeon said Mr. Creighton's death was not due to the artificial heart but to complications from being on a heart-lung bypass machine for more than 10 hours while Dr. Copeland waited for the artificial organ to arrive by helicopter.

Although some legal and ethics experts criticized Dr. Copeland's action and said the government

should take steps to prevent further such moves, Dr. David W. Johnson of the FDA called it "a unique emergency."

Dr. Johnson, who made his comments after a five-hour meeting with officials and physicians at the University of Arizona, said he would review the case with his superiors in Washington. "We may find that the FDA is part of the problem," he said. "Maybe we should be approaching some situations differently than we have."

Legal and bureaucratic considerations aside, such use of the artificial heart would give heart transplant patients the benefit of backup technology now available to kidney transplant patients. When someone awaits a kidney transplant or the organ fails after surgery, an individual can be sustained by dialysis, which usually involves a thrice-weekly cleansing of the blood. This allows greater freedom than that now offered to a

total artificial heart recipient, who must be tethered to a power supply while the device is in place.

But in bringing natural heart transplant procedures within reach of more patients, artificial hearts can be expected to aggravate an already serious shortage of organs. Dr. Copeland counted on an informal priority system to move Mr. Creighton to the head of the waiting list for his second human heart transplant. It would certainly be harder, ethically if not practically, to jump an individual ahead of others when artificial devices were keeping more end-stage heart patients alive.

Further, the demand for human hearts to transplant is likely to increase because of the one million or so Americans who have undergone coronary bypass surgery. Many are bound to become transplant candidates as the veins taken from their legs and put in their hearts deteriorate from the inextinguishable damage of atherosclerosis, the underlying cause of their heart disease.

Little wonder that Dr. William C. DeVries, the surgeon who implanted the Jarvik-7 in Mr. Schroeder and Dr. Clark, believes that patients and doctors must consider all artificial hearts permanent. Even if medical catastrophes that could make transplant operations inadvisable are avoided, he argues, there will still be no assurance that a human heart will be available.

Effectiveness of Heart Drugs

WASHINGTON — Studies show that tissue plasminogen activator, which can limit the severity of heart attacks, is almost twice as effective as streptokinase, a similar substance now on the market, according to Dr. Eugene Passamani, associate director of the National Heart, Lung and Blood Institute.

Skyrocketing Shuttle Prices Pose Dilemma

WASHINGTON — NASA proposes to raise the price of a space shuttle flight to \$87 million starting in 1989, but the U. S. Transportation Department wants even higher prices so commercial rockets can compete for satellite launching business.

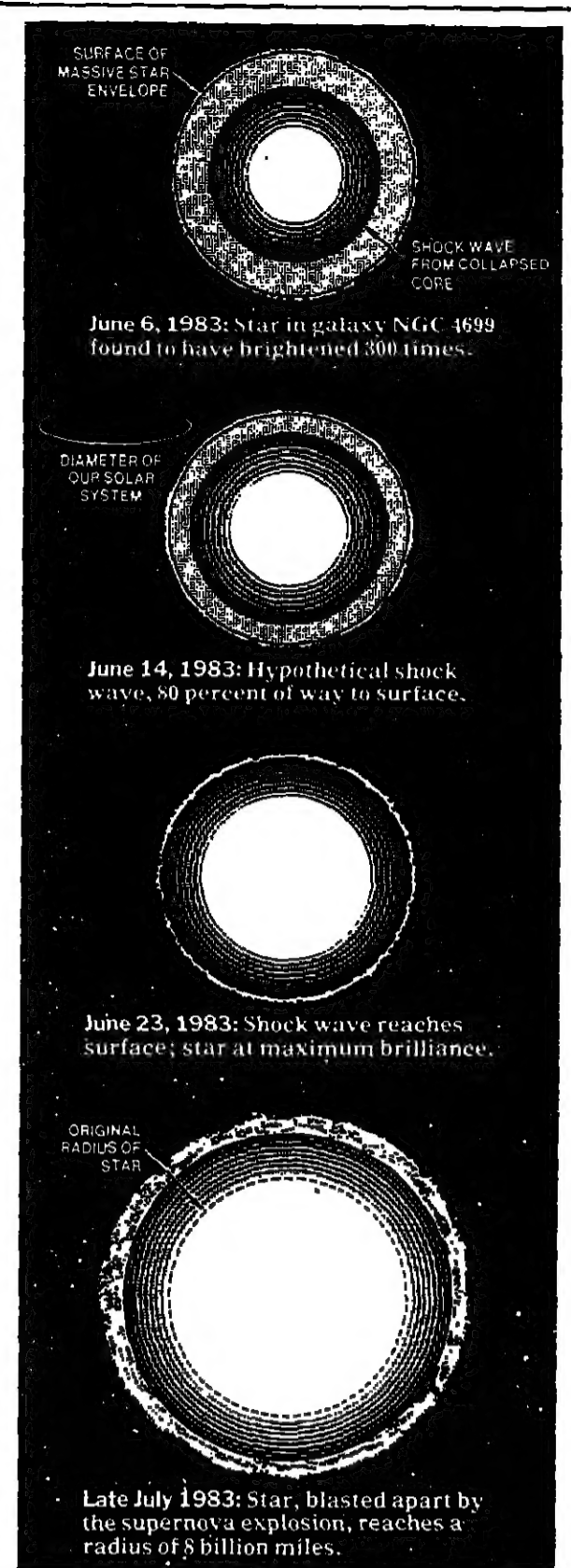
Therein lies a dilemma. A new report by the Congressional Budget Office says significantly higher prices for a shuttle launch will divert some of its business to the expendable European rocket Ariane unless the Ariane consortium raises its prices. But unless the shuttle prices are considerably higher than the National Aeronautics and Space Administration proposes, companies trying to find business for expendable Delta and Atlas-Centaur rockets are not likely to succeed, the report said.

If the price of carrying a satellite aboard the shuttle is so high that it makes it cheaper to fly on a Delta or Atlas-Centaur, NASA will lose all but the most spe-

cialized commercial and foreign satellite business, the budget office said. That would mean the cost to taxpayers for the remaining shuttle missions would be much more than it would be if NASA had commercial and foreign business to go along with military and space-agency missions.

The price for a shuttle launch is \$38 million in 1982 dollars. Starting next year and running through 1988, the price will be \$71 million in 1982 dollars, but the analysis said that will not cover all costs.

The NASA administrator, James M. Beggs, said President Ronald Reagan directed NASA to produce a pricing plan for "full cost recovery" for shuttle operations starting in 1989. Eric Hanushek, deputy director of the Congressional Budget Office, told a House subcommittee that NASA proposed \$87 million a flight for 1989 through 1991. Mr. Hanushek said that price — figured on the basis of 1982 dollars — called for recovery of average operational costs only.



SUPERNOVA SEEN — U. S., Argentine and Chilean astronomers have reported the first detailed observations of early stages of a supernova, an explosion believed to mark the demise of a giant star. Data from the 1983 observations has taken until now to interpret.

# Pan Am Is Flying Between These Cities:

<b>London to:</b>	
New York	10 nonstop 747's a week
Washington	Daily nonstop 747's
Miami	Daily 747's
Tampa	Thu, Fri, Sat, Sun. 747's
Los Angeles	Daily 747's (except Tue & Wed)
San Francisco	Fri, Sat, Sun, Mon, 747's
Seattle	Thu and Sat. Nonstop 747's
Berlin	Twice a day
Hamburg	Daily
<b>Frankfurt to:</b>	
New York	Daily nonstop 747's
Berlin	Multiple Daily
<b>Munich to:</b>	
New York	Daily 747's
Zurich	Nonstop 747's on Fri, Sat, Sun.
<b>Hamburg to:</b>	
London—USA	Daily
Berlin	Multiple Daily
<b>Nuremberg to:</b>	
Brussels—USA	Daily
Berlin	Multiple Daily

<b>Stuttgart to:</b>	
Berlin	Multiple Daily
Zurich	Multiple Daily
New York	Fri, Sat, Sun.
<b>Berlin to:</b>	
Frankfurt	Multiple Daily
Stuttgart	Multiple Daily
Hamburg	Multiple Daily
Nuremberg	Multiple Daily
Zurich	Multiple Daily
London	Twice a day
Brussels	Daily
<b>Zurich to:</b>	
New York	Nonstop 747's on Fri, Sat, Sun.
Munich	Nonstop 747's on Fri, Sat, Sun.
Stuttgart—Berlin	Daily
<b>Paris to:</b>	
New York	Daily 747's (except Tue, Wed).
Rome	Wed, Sun. 747's

<b>Rome to:</b>	
New York	Daily 747's (except Tue, Wed).
Paris	Mon & Thu. 747's
<b>Brussels to:</b>	
New York	Daily
Washington	Daily
Miami	Daily
West Coast	Daily (except Tue, Wed).
Tampa	Thu, Fri, Sat, Sun.
Nuremberg	Daily
Berlin	Daily
<b>Dhahran to:</b>	
New York	Nonstop 747's on Wed and Sat.
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NYSE Most Actives					
Vol.	High	Low	Last	Chg.	
IBM	127.50	127.25	127.50	+0.25	
AT&T	100.00	99.75	100.00	+0.25	
General Electric	100.00	99.75	100.00	+0.25	
Johnson & Johnson	100.00	99.75	100.00	+0.25	
Merck	100.00	99.75	100.00	+0.25	
Amgen	100.00	99.75	100.00	+0.25	
Boehringer	100.00	99.75	100.00	+0.25	
Novartis	100.00	99.75	100.00	+0.25	
Roche	100.00	99.75	100.00	+0.25	
Sandoz	100.00	99.75	100.00	+0.25	

Dow Jones Averages					
Open	High	Low	Last	Chg.	
Index	127.50	127.25	127.50	+0.25	
Indust.	100.00	99.75	100.00	+0.25	
Transp.	100.00	99.75	100.00	+0.25	
Comp.	100.00	99.75	100.00	+0.25	

NYSE Index					
High	Low	Close	Prev.	Chg.	
Composite	127.50	127.25	127.50	+0.25	
Indust.	100.00	99.75	100.00	+0.25	
Transp.	100.00	99.75	100.00	+0.25	
Comp.	100.00	99.75	100.00	+0.25	

NYSE Closing					
Vol.	High	Low	Last	Chg.	
IBM	127.50	127.25	127.50	+0.25	
AT&T	100.00	99.75	100.00	+0.25	
General Electric	100.00	99.75	100.00	+0.25	
Johnson & Johnson	100.00	99.75	100.00	+0.25	
Merck	100.00	99.75	100.00	+0.25	
Amgen	100.00	99.75	100.00	+0.25	
Boehringer	100.00	99.75	100.00	+0.25	
Novartis	100.00	99.75	100.00	+0.25	
Roche	100.00	99.75	100.00	+0.25	
Sandoz	100.00	99.75	100.00	+0.25	

AMEX Diaries					
Class	Prev.	Chg.	Vol.	High	Low
Advanced	100.00	+0.25	100.00	100.00	99.75
United	100.00	+0.25	100.00	100.00	99.75
Financial	100.00	+0.25	100.00	100.00	99.75
Insurance	100.00	+0.25	100.00	100.00	99.75
Utilities	100.00	+0.25	100.00	100.00	99.75
Real Estate	100.00	+0.25	100.00	100.00	99.75

NASDAQ Index					
Week	Year	Open	High	Low	Close
Composite	100.00	100.00	100.00	100.00	100.00
Indust.	100.00	100.00	100.00	100.00	100.00
Transp.	100.00	100.00	100.00	100.00	100.00
Comp.	100.00	100.00	100.00	100.00	100.00

AMEX Most Actives					
Vol.	High	Low	Last	Chg.	
IBM	127.50	127.25	127.50	+0.25	
AT&T	100.00	99.75	100.00	+0.25	
General Electric	100.00	99.75	100.00	+0.25	
Johnson & Johnson	100.00	99.75	100.00	+0.25	
Merck	100.00	99.75	100.00	+0.25	
Amgen	100.00	99.75	100.00	+0.25	
Boehringer	100.00	99.75	100.00	+0.25	
Novartis	100.00	99.75	100.00	+0.25	
Roche	100.00	99.75	100.00	+0.25	
Sandoz	100.00	99.75	100.00	+0.25	

Dow Jones Bond Averages					
Open	High	Low	Last	Chg.	
Index	127.50	127.25	127.50	+0.25	
Indust.	100.00	99.75	100.00	+0.25	
Transp.	100.00	99.75	100.00	+0.25	
Comp.	100.00	99.75	100.00	+0.25	

NYSE Diaries					
Class	Prev.	Chg.	Vol.	High	Low
Advanced	100.00	+0.25	100.00	100.00	99.75
United	100.00	+0.25	100.00	100.00	99.75
Financial	100.00	+0.25	100.00	100.00	99.75
Insurance	100.00	+0.25	100.00	100.00	99.75
Utilities	100.00	+0.25	100.00	100.00	99.75
Real Estate	100.00	+0.25	100.00	100.00	99.75

Odd-Lot Trading in N.Y.					
Buy	Sell	Vol.	High	Low	Close
IBM	127.50	127.25	127.50	+0.25	
AT&T	100.00	99.75	100.00	+0.25	
General Electric	100.00	99.75	100.00	+0.25	
Johnson & Johnson	100.00	99.75	100.00	+0.25	
Merck	100.00	99.75	100.00	+0.25	
Amgen	100.00	99.75	100.00	+0.25	
Boehringer	100.00	99.75	100.00	+0.25	
Novartis	100.00	99.75	100.00	+0.25	
Roche	100.00	99.75	100.00	+0.25	
Sandoz	100.00	99.75	100.00	+0.25	

Standard & Poor's Index					
High	Low	Close	Prev.	Chg.	
Composite	127.50	127.25	127.50	+0.25	
Indust.	100.00	99.75	100.00	+0.25	
Transp.	100.00	99.75	100.00	+0.25	
Comp.	100.00	99.75	100.00	+0.25	

AMEX Sales					
3 P.M. volume	Prev. 3 P.M. volume	Chg.	Vol.	High	Low
IBM	127.50	127.25	127.50	+0.25	
AT&T	100.00	99.75	100.00	+0.25	
General Electric	100.00	99.75	100.00	+0.25	
Johnson & Johnson	100.00	99.75	100.00	+0.25	
Merck	100.00	99.75	100.00	+0.25	
Amgen	100.00	99.75	100.00	+0.25	
Boehringer	100.00	99.75	100.00	+0.25	
Novartis	100.00	99.75	100.00	+0.25	
Roche	100.00	99.75	100.00	+0.25	
Sandoz	100.00	99.75	100.00	+0.25	

AMEX Stock Index					
High	Low	Close	Prev.	Chg.	
Composite	127.50	127.25	127.50	+0.25	
Indust.	100.00	99.75	100.00	+0.25	
Transp.	100.00	99.75	100.00	+0.25	
Comp.	100.00	99.75	100.00	+0.25	

## Trading Active on N.Y. Market

NEW YORK — The stock market was slightly lower late Wednesday in active trading, as investors watched for an attempt to follow through on the big increase of the previous session.

The Dow Jones industrial average, which gained 21.42 Tuesday, was down 0.77 to 1,270.32 about an hour before the closing. The average had been down more than 6 points before rebounding.

Declines and advances were nearly even

Although prices in tables on these pages are from the 4 P.M. close in New York, for time reasons this article is based on the market at 3 P.M.

among the 1,944 issues crossing the New York Stock Exchange tape.

The five-hour Big Board volume amounted to about 88.30 million shares, compared with 95.76 million in the corresponding period Tuesday.

Alan Ackerman of Herzfeld & Stern said the stock market was likely to "build a base for another move upward."

"The weakness of the dollar gives a favorable bias to the outlook for multinational including IBM and drug stocks," Mr. Ackerman said.

He added that some decline in the dollar was needed after its recent strength, and if the currency swings become more predictable, the investment picture will improve. He said the currency fluctuations of the last few days represented an over-reaction to the problems involving some Ohio savings and loans.

Before the stock market opened, the Commerce Department reported personal income gained 0.3 percent in February. The January figure was revised to show an increase of 0.6 percent.

The report also showed that personal spending was up 0.7 percent in February, slightly less than December and January. The report tended to reinforce the perception of analysts in recent days that the economy, while healthy, is not booming like it did at the beginning of 1984.

John Burnett of Donaldson, Lufkin & Jenrette said stocks were reflecting confusion due to the volatility of currency and precious metals markets. He also said the decline was in reaction "to the slippage in IBM because they're throwing in the towel with the PCjr."

On the floor, Texaco Inc. was near the top of the active list at mid-session, down slightly. PepsiCo was up in heavy trading. The company denied rumors that it might be acquired by Philip Morris.

Auto issues weakened after several brokerage houses lowered earnings estimates. General Motors, Ford and Chrysler were down slightly. IBM was off slightly. After the close Tuesday, IBM announced it would stop manufacturing its IBM PCjr home computer. IBM has had problems marketing the machine.

Apple Computer, traded over the counter, was up slightly, and Tandy Corp. was unchanged.

Among other technology stocks, Motorola and Digital Equipment were up a bit, while National Semiconductor was down slightly.

Among the energy issues, Exxon and Mobil were up slightly. Phillips Petroleum was down.

12 Month	High	Low	Stock	Div.	Yld.	PE	St.	100	High	Low	Close	Chg.
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	General Electric	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Johnson & Johnson	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Merck	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Amgen	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Boehringer	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Novartis	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Roche	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Sandoz	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25

12 Month	High	Low	Stock	Div.	Yld.	PE	St.	100	High	Low	Close	Chg.
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	General Electric	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Johnson & Johnson	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Merck	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Amgen	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Boehringer	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Novartis	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Roche	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Sandoz	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25

12 Month	High	Low	Stock	Div.	Yld.	PE	St.	100	High	Low	Close	Chg.
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	General Electric	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Johnson & Johnson	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Merck	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Amgen	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Boehringer	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Novartis	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Roche	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	Sandoz	1.00	0.80	12.5	A	100.00	100.00	99.75	100.00	+0.25

12 Month	High	Low	Stock	Div.	Yld.	PE	St.	100	High	Low	Close	Chg.
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	10	9.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
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20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
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20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
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20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
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20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	IBM	3.00	2.80	12.5	A	100.00	100.00	99.75	100.00	+0.25
20%	100.00	99.75	AT&T	2.00	1.80	15.0	A	1				











## BUSINESS ROUNDUP

## IBM to Stop Making PCjr Home Computer

By Andrew Pollack

NEW YORK — International Business Machines Corp. has decided to cease production next month of its PCjr home computer, a machine that never quite caught on in the marketplace.

IBM said Tuesday that it was ending the action because inventories were sufficient to meet future demand. The company said it would continue to market the remaining computers and to support the product by providing software, spare parts and optional hardware attachments.

Nevertheless, the surprise announcement in effect signals the end of the PCjr, a product that once was expected to establish the same dominance for IBM in the home market as its initial PC established in the office market.

IBM thus becomes the latest casualty of the disappointing market for home computers. Many other companies, including Texas Instruments Inc. and Coleco Industries Inc., have withdrawn from the market after failures.

Commodore International Ltd. as seen its sales and earnings plummet and Apple Computer Inc. recently announced that it would use its factories for a week because of bulging inventories.

"The home market didn't expand to the degree IBM and many others thought it would," said John G. Pope, a spokesman for IBM in Boca Raton, Florida, where the personal-computer operations are based. "But that doesn't mean the home market doesn't exist."

IBM did not say whether it would abandon the home market completely or whether it was planning a new product. Some analysts said it would be inconceivable for IBM to desert the lower-priced

market, especially because that market includes schools.

"I can't imagine they would give up that low end of the market," said Egil Juliusen, chairman of Future Computing Inc., a Dallas market researcher, which estimates that IBM sold 275,000 PCjr's in 1984. "From a strategic point of view they ought to have something to take its place."

Many analysts expect IBM to soon introduce the PC2, an advancement on the original PC office computer that is expected to have a more powerful microprocessor. The price of the original PC is also expected to be cut.

The cancellation of the PCjr indicates that an even broader realignment of IBM's product line might be in store. However, the IBM spokesman indicated that a machine to replace the PCjr is not likely to be introduced soon.

Norman DeWitt, director of the personal-computer industry service for Dataquest, a market researcher, said he thinks that IBM made its decision because it was not making a sufficient profit on the PCjr when it sold below \$900, the price required to stimulate sales. He said the dropping of the PCjr would be good news for Apple Computer, whose Apple II line competed directly with the PCjr.

The PCjr had trouble from the start. Introduced in late 1983, it did not reach the market until early 1984, missing the 1983 Christmas season. The machine also was ridiculed for its keyboard, whose rubberized keys resembled chewing gum tabs. IBM eventually replaced the keyboard with a more conventional one.

IBM shares closed at \$130.875 Tuesday on the New York Stock Exchange, up \$2.50 from Monday.

## Wang Considers Reorganization, Some Layoffs

Los Angeles Times Service

BOSTON — The president of Wang Laboratories Inc., the computer company, said the company may reorganize in an effort to recover from its current earnings slump and may have to lay off some of its 31,000 workers.

John F. Cunningham also said Tuesday that its rival, International Business Machines Corp., is partly to blame for a sales slowdown that has hit Wang as well as such competitors as Digital Equipment Corp. and Data General Corp.

He said that IBM, by promising that it will soon offer products more advanced than those currently on the market, has caused customers to delay product purchases.

Mr. Cunningham, at a press conference, also discussed Wang's announcement March 12 that its earnings for the three months ending March 30 would be 30 percent to 40 percent below those of a year earlier.

He said this was caused by an industrywide sales slowdown, the strength of the U.S. dollar and problems in Wang's performance, including delays in the shipping of new products and customer service that he said must be improved. But, he said, the slump has created a sense of urgency and thus has given Wang a "major opportunity" to reorganize and trim a staff that has grown too large.

## Lockheed Plans \$10-Billion Expansion

By Ralph Vartadecian

Los Angeles Times Service

LOS ANGELES — Lockheed Corp. has disclosed a strategic plan to spend \$10 billion over the next decade on research and plant construction, concentrated on its California aerospace facilities.

The plan, described by Ben Rich, president of Lockheed Advanced

Aeronautics Corp., in a recent interview and confirmed with other Lockheed officials, includes a significant expansion of the company's Kelly Johnson Research Center, about 45 miles (70 kilometers) northeast of Los Angeles.

Lockheed will build up to five new technical facilities there and

increase staff from 400 to as many as 3,000 scientists, engineers and technicians, Mr. Rich said.

The expansion will make the center what is believed to be the world's largest private aerospace research center, complete with supersonic wind tunnels, a computerized weapons simulator, radar ranges, material laboratories and acoustics chambers, he said.

At the same time, Lockheed will continue to reduce its operations at neighboring Burbank, transferring increasing amounts of engineering to the new center and production to its assembly plants in Palmdale, about 35 miles north of downtown Los Angeles, Mr. Rich said.

## Investors Plan Takeover of Storer

New York Times Service

NEW YORK — A group of investors has announced that it wants to gain control of Storer Communications Corp. and then liquidate the Miami-based broadcasting and cable-television concern.

The Committee for Full Value of Storer Communications Inc. said Tuesday that it would elect a slate of directors at the May 7 annual meeting and then "sell all Storer's assets and distribute the net proceeds to the company's stockholders."

The committee was formed by Consistent Partners, an investor group led by Paul Tierney, Keith R. Gollust and Augustus K. Oliver that has bought major stakes in Cyclops Corp. of Pittsburgh and Sconer Federal Savings & Loan Association in Tulsa, Oklahoma.

The committee controls 867,400 Storer shares, or about 5.29 percent of the shares outstanding.

Wall Street is keenly aware of the premium that broadcasting stocks

can command. On the New York Stock Exchange on Tuesday, Storer's shares rose \$5.75, to \$70.125, on a volume of more than 900,000 shares.

John Bonner, manager of corporate relations at Storer, said the company would not comment until it had studied the committee's filing made Tuesday with the Securities and Exchange Commission.

Mr. Tierney said: "Our investment philosophy is to try to find companies that are undervalued." Storer has posted a loss in each of the last two years, primarily because of the cost of expanding its cable-television operation. Last year, the company had a loss of \$16.7 million on revenues of \$536.8 million.

The company has shed some of its troubled cable systems, and analysts are optimistic. Peter Appert of Cyrus J. Lawrence Inc. forecasts earnings of 65 cents a share this year and \$1.55 a share in 1986.

## Japan Securities Set for Records

Reuters

TOKYO — Japan's major securities houses are expecting record current profits in the first half-year ending March 31, according to spokesmen.

Nomura Securities Co. predicts a record first-half profit of nearly 100 billion yen (\$385 million) against a record 74.7 billion yen in the like period last year. Daiwa Securities Co. has revised its current profit forecast to a record 65 billion yen from the earlier predicted 62 billion yen and the previous record 48.3 billion yen a year earlier.

Equity trading volume on the Tokyo stock exchange rose 20 percent to 46,233 million shares in October to February, from 38,676 million in the like period last year, the stock exchange said.

## COMPANY NOTES

ABC Inc. and Capital Cities Communications Inc., which announced Monday that it plans to buy ABC, had their debt placed on a credit-watch list by Standard & Poor's Corp.

American Telephone & Telegraph Co. said it began beaming high-speed, digital data and videoconferencing signals via satellite to France over its International Accutest Reserved 1.5 Service. The service operates at a speed of 1,544 megabits of information a second, providing voice, data, full-color and full-motion video services.

BankAmerica Corp. had the ratings on its senior debt changed by Standard & Poor's Corp. to A-plus from AA-minus, on its subordinated debt to A from A-plus, and on its preferred stock to A-minus from A.

Bayer AG, the West German chemicals concern, said it has raised the bonus paid to its workers on 1984 results to 60 percent of average monthly pay from 42 percent for 1983. A spokesman said there is no official link between the higher bonus and any planned increase in the 1984 dividend from the 7 Deutsche marks (\$2.18) paid for 1983, but said the bonus is widely regarded as an indirect dividend indicator.

Denison Mines Ltd. of Canada said Clifford Frame was replaced as president by the vice chairman, Edward McConkey. The company did not elaborate.

General Motors Kenya Ltd., in which the Kenyan government has a 51-percent stake, said it plans to produce a four-door sedan named "Uhuru" at its Nairobi assembly plant. The first of a planned 2,000 cars a year is expected to be completed in a few months.

H.J. Heinz Co., the U.S. food concern, expects to report higher earnings and revenues in the fiscal year ending in April, despite predictions of lower profit margins for

the U.S. food industry, according to the president, Anthony O'Reilly. Marketing costs will rise \$25 million to about \$320 million and the company plans a \$100-million (\$113-million) capital spending program in Britain.

International Telephone & Telegraph Corp. said its Danish affiliate, Christian Rosing AS, was awarded a contract by Air Canada to supply a new data communications network for the airline's reservations and check-in systems. The contract's value was not disclosed.

Lotus Development Corp. of Cambridge, Massachusetts, said the delivery of a software package crucial to the sale of Apple Computer Inc.'s Macintosh personal computer will be delayed two months. The announcement is a setback for Apple in its battle with International Business Machines Corp. in the office computer market.

Miniscribe Corp. of Colorado said it has agreed to supply \$8.5 million of computer disk drives to Daewoo Telecom Co. of South Korea. Deliveries will be made over 12 months starting next month.

Sun Hung Kai Finance Co. had trading in its shares suspended on the Hong Kong Stock Exchange. An exchange spokesman said trading will not resume before Friday. The company is expected to announce an accord to sell its banking subsidiary to Arab Banking Corp. and Sun Hung Kai chairman, Fung Kai Hay, for 360 million Hong Kong dollars (\$46.2 million).

Telefonaktiebolaget L.M. Ericsson, the Swedish maker of telephone switching systems, plans to raise its U.S. capital expenditure slightly in 1985 to approximately \$20 million. Much of the expenditure will be investment in software and marketing toward its Axi telecommunications system, the company said.

## ADVERTISEMENT

## INTERNATIONAL FUNDS

Quotations Supplied by Funds Listed

30 March 1985

The net asset value quotations shown below are supplied by the Funds listed with the exception of the funds whose values are based on issue prices. The following symbols indicate frequency of quotations: (d) = daily; (w) = weekly; (b) = bi-monthly; (tr) = quarterly; (l) = irregularly.

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## Race by Europe and U.S. to Commercialize Space Heats Up

(Continued from Page 11)

satellites for commercial customers for about \$19 million a launch.

But none of the U.S. rocket launchers had counted on the entry of ArianeSpace, a private French company whose largest stockholder is the French government. It holds ownership rights to the Ariane rocket, which was developed by the European Space Agency, a council of 11 European countries that supervises all major space projects in Europe. ArianeSpace already operates three Ariane rockets, and is expected to have a fourth ready for launching next year.

ArianeSpace currently charges between \$24 million and \$26 million for every communications satellite it sends into orbit, and already has sent up five satellites.

Transpace, on the other hand, has yet to find a customer. It claims that it costs about \$37 million to send satellites into orbit aboard a Delta rocket, and that it would charge \$42 million a launch. ArianeSpace would not divulge its own cost estimates, but Transpace says that the French company's costs are much higher than its own. The reason for the difference in prices, Transpace insists, is that ArianeSpace is subsidized, and thus need not recover full costs.

"We entered this business relying on the belief that we would operate in a free-market economy," said Tony Savoca, president of Transpace. "But the Ariane is subsidized. If we don't get their price levels near full cost recovery, we are going out of business."

Transpace filed a complaint of unfair competition in the United States last year, claiming ArianeSpace charged U.S. customers less than it did Europeans. A decision is expected by July.

Meanwhile, both sides remain intractable. "Our prices are considered on a case-by-case basis to compete with the export market," insisted Douglas Heydon, the French company's executive vice president. But Mr. Savoca countered: "We want to compete with Ariane on a world market, but you have to first get rid of their subsidy."

Even NASA feels threatened by ArianeSpace. The Ariane and the shuttle are doing equally well in the battle to win customers. According

to NASA, each launched five of the 10 commercial satellites sent into space in the last 14 months.

But NASA had planned to raise its price for launching a private satellite on the shuttle to about \$27 million this fall, in order to make commercial users bear more of the spacecraft's costs. Now NASA is not sure it could make the increase stick.

"Ariane will soon have a cost advantage of up to \$5 million on launches," warned Chester Lee, director of Shuttle Customer Services. "If we would lose all our commercial customers from the Shuttle, NASA's budget would go up at least \$250 million each year."

To make matters worse, the European Space Agency may build its own shuttle. In January, European ministers met in Rome and approved the Ariane 5, a rocket system that could launch a small, manned shuttle known as the Hermes. Research and development costs for the Ariane 5 are expected to exceed \$2.3 billion.

"France has a political position to develop an independent manned capability," said Frederic d'Aleste, chairman of ArianeSpace. His colleague, Mr. Heydon, added: "We have injected an element of competition at NASA which should make them more efficient."

Competition among U.S. and European drug and electronic companies to capitalize on the low-gravity, high-purity manufacturing conditions in space promises to be as intense as that now occurring among the rocket-launch concerns.

The pure microgravity environment of space allows special pharmaceuticals, crystals, and metal alloys to be made which cannot be reproduced on Earth. Eric Meger, vice-president at Center for Space Policy, estimates that this will generate a \$25-billion annual business by the year 2000.

For now, no European company has put any money of its own into this research. Funding is provided entirely by various governments. But the expectation is that private European companies such as West Germany's Messerschmitt-Bölkow-Blohm will turn the research into commercially viable products.

In the United States, by contrast, the private sector must pay its own way from the start. McDonnell

Douglas is the leader in researching pharmaceutical production in space. The company has a partnership agreement with Ortho Pharmaceuticals to separate hormones from complex protein solutions using a process known as electrophoresis.

This involves separating tiny particles from a solution by imparting an electrical charge to them. The process works better in space because materials are more easily separated in the absence of gravity.

Although neither company will divulge what product they plan to produce, a source close to McDonnell Douglas said it will be a cure for diabetes. The company will try to produce 1.5 liters (1.57 quarts) of

the product on a test manufacturing unit it will send up on the shuttle this month. If the experiment is successful, McDonnell Douglas will send a 2.5-ton prototype production plant into space in November. It expects that it could get Food and Drug Administration approval of the product as early as 1988.

There do not appear to be European competitors waiting in the wings. "The fact that we don't have any competition isn't a bad feeling," says James Rose, electrophoresis project manager at McDonnell Douglas.

Mr. Podsiadly, at 3M, by contrast, feels the competition sharply. His company began experimenting

with crystal growth and film processing on the shuttle last November. Yet 3M's experiments are nowhere near as ambitious as those of its European competitors — ironically, in labs on the same U.S. space shuttle. "We are doing our experiments in small canisters while they are doing things that take up the whole shuttle," Mr. Podsiadly conceded.

There is poetic justice in this, in that the European Space Agency that is giving the U.S. rocket companies such trouble is the same agency that, a decade ago, developed the first space laboratory at the request of the United States. This laboratory became the first Spacelab.

COMMUNAUTE EUROPEENNE DU CHARBON ET DE L'ACIER - C.E.C.A.  
Emprunt de F.Fr. 150 000 000  
Obligations 14 1/4 % - 1980-1986

La COMMUNAUTE EUROPEENNE DU CHARBON ET DE L'ACIER (C.E.C.A.) a decide de proceder au remboursement anticipé de la totalité de l'emprunt au prix de 100,5 % majoré des intérêts courus, conformément aux conditions d'émission de l'emprunt.

Les 30 000 obligations de F.Fr. 5 000 seront remboursables à partir du 22 avril 1985, date à laquelle elles cesseront de porter intérêt au prix de F.Fr. 5 062,60 soit F.Fr. 5 025 pour le principal et F.Fr. 37,60 représentant 19 jours d'intérêts courus depuis le 3 avril 1985.

Les obligations devront être présentées au remboursement, coupons au 3 avril 1985 attachés.

Le remboursement des obligations se fera aux guichets des banques suivantes:

DRESNER BANK AKTIENGESELLSCHAFT, Francfort/Main; BANQUE BRUXELLOISE LAMBERT S.A., Bruxelles; BANQUE PARIBAS, Paris; CREDIT LYONNAIS, Paris; SOCIETE GENERALE, Paris; S.G. WARBURG ET CO. LTD., Londres; CREDIT LYONNAIS, Luxembourg.

L'Agent Financier  
CREDIT LYONNAIS - LUXEMBOURG

Weekly net asset value

Tokyo Pacific Holdings N.V.

on March 18, 1985: U.S. \$139.42.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Hekking &amp; Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

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1,000,000 dollars for a superstar  
to sell a product.

Here's the only salesman we need.



When you make a great beer, you don't have to make a great fuss.



**March 20**

**NASDAQ National Market Prices**[illegible]

(Continued on Page 15)



**Spain.** Everything under the sun.

And from Catalonia comes "Zarzuela," an assortment of fish and shellfish cooked in a tomato sauce seasoned with garlic, paprika, parsley and wine.

To all the regions and dishes we had no space to write about, a toast in Spanish sherry, brandy or wine.

هكذا من الأصل















